

February 2026

Rathbones Investment Management
discretionary manager assessment report

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discretionary manager assessment report

Introduction

threesixty has been conducting its annual DIM assessments on Rathbones Investment Management since 2019.

This year's assessment was managed by the Financial Intermediaries Executive and the Sales and Operations Manager at Rathbones Investment Management, and their support enabled the assessment to run smoothly.

An important part of the assessment is that threesixty was provided with access to key individuals within Rathbones Investment Management, and included representatives from the investment team, compliance, distribution, operations, people, complaints, training and competency, and learning and development.

Each contributor to the assessment was very professional and provided us with additional insight of their respective areas for the purpose of enhancing the assessment.

Rathbones Investment Management Limited is one of the regulated entities within the Rathbones Group Plc and this continues to be an exciting period in the group's history, with the continuing integration of Investec Wealth & Investment UK (IW&I) with Rathbones, and also the recent Chief Executive Officer appointments made at both Group and Wealth levels.



Andy Taylor
Head of discretionary investment management team
threesixty services

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DDHub ASSESSED DISCRETIONARY MANAGER
SUPPORTED BY threesixty

About this **discretionary manager assessment report**

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Purpose of this assessment

This report is designed to assist intermediaries in carrying out their due diligence assessment prior to using the services of a Discretionary Investment Manager (DIM), and on the regular review of such arrangements.

It is important to note the aim of the work undertaken by threesixty services Ltd (threesixty), is to assess, at a high level, the adequacy of the controls and procedures the firm has established to mitigate the regulatory and business risks arising from the provision of its discretionary management service to intermediaries. The focus of the assessment is to review controls and procedures, and therefore it is only part of the overall assessment that an intermediary should carry out when looking to use the services of a DIM.

Our methodology

The assessment entails either an onsite visit or remote meetings with the DIM which generally take 2 days, and a review of various documented procedures and papers supplied by the DIM.

During the assessment our business risk consultant conduct a series of meetings with key individuals within the DIM from different areas of the business to allow them to explain in more detail how their firm operates and the controls and procedures that are in place. In general, the assessments involve meetings with senior representatives from Investment Management, Operations, Compliance, Risk Management, Human Relations, Training and Competence and I.T.

On occasions the DIM will inform us that certain documents that we request are not available due to the confidential nature of the information they contain. In cases in which this has occurred we simply note that the document could not be provided due to the confidential nature of the information.

The report format

The report that follows is divided into three areas as follows:

- Firm information
- Intermediary arrangements
- Investment Management

The aim is that the review of the combination of different areas of the DIM ensures that all the key aspects of the business are reviewed. In each section our overall focus is to attempt to explain what procedures the DIM firm has in place to control its business, and to manage the risks so as to ensure good client outcomes can be achieved.

How to use it

As noted above the threesixty report is only part of the information that you as an intermediary firm will need to gather within the overall research and due diligence process. In part it aims to provide some independent verification for you that certain key procedures and controls are in place within the DIM. However, it will also hopefully help you to construct further questions that you may wish to ask the DIM during your due diligence process.

Scope of assessment

threesixty has only reviewed those documents made available on our review. We have not investigated their efficacy and practical use. All reasonable precautions have been taken to ensure that the information contained is correct, threesixty services Ltd does not accept any responsibility for errors, inaccuracies, omissions or any inconsistencies.

This information should not be relied upon by third parties and should not be considered as an endorsement as to individual suitability of the firm for a financial advisers' clients.

The assessment report does not include any comment on the firm's procedures in respect of holding client money, or assets, in accordance with FCA rules as this is outside the scope of our assessment.



Rathbones Investment Management **Key details**

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FIrm name	Rathbones Investment Management Limited (RIM)
Turnover	Wealth Management - £814.2 as at December 2024
Established since	Rathbones Investment Management Limited ('RIM') is the principal subsidiary of Rathbones Group Plc (Rathbones) which dates back to 1742.
Assets under management	£115.6bn as at 31 December 2025 for Rathbones Group Plc of which £106.2bn is Wealth Management
Investment services provided	• Bespoke Investment Management • Managed Investment Service • Model Portfolio Service (MPS) on Platforms • Select
Contact details	Head Office Address: 30 Gresham Street, London EC2V 7QN Adviser Enquiries: philip.valentine@rathbones.com charlie.dennis@rathbones.com Intermediaryoperations@rathbones.com
Useful links	www.rathbones.com

ARC performance

ARC performance is available for Rathbones Investment Management Limited upon application.

Rathbones Investment Management Limited are happy to provide potential and existing supporting IFAs with its ARC performance data upon application and as appropriate.

To request this information, please contact:

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Company name

Firm information

This section explains how the business is structured and managed. It seeks to explain the key procedures that control the risks within the overall business.

Rathbones Investment Management **Firm information - summary**

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Ref	Area	Key comments
A1	Ownership structure	Rathbones Investment Management Limited is a subsidiary of Rathbones Group Plc, an independently owned FSTE 250 company. A clear ownership structure is in place.
A2	Board	The Group Board has a well-defined composition and purpose as captured within its terms of reference, with delegated authority given to the Chief Executive and Group Executive Committee (GEC).
A3	Committee / Structure	The Rathbones Group Board is primarily supported by the Group Executive Committee (GEC) and the RIM Management Committee (RMC), and also by a number of other key committees and sub-committees.
A4	Risk management framework	Rathbones risk management framework is overseen by the Group Risk Committee with a defined approach to risk classification, and the framework is supported by a 'three lines of defence' model.
A5	Compliance framework	The Chief Risk Officer is responsible for delivering the Group's compliance monitoring framework via its Compliance Monitoring Plan, with activities completed by two dedicated teams.
A6	Audit	The Group's Audit Committee oversees the internal and external audit functions, monitoring their effectiveness and objectivity.
A7	Consumer Duty / Product Governance	Rathbones has fully embedded Consumer Duty and Product Governance, and its effectiveness is overseen by the Group Risk Committee.
A8	Complaints	Rathbones has robust complaints processes in place and is supported by appropriate management information which is shared with the relevant management committees.

Ref	Area	Key comments
A9	Sustainability – Corporate arrangements	Rathbones is committed to sustainable investment and has an established and documented approach to sustainability. The Responsible Business Committee oversees the Group's responsible investment and environmental programmes, reporting to the GEC and Plc Board.
A10	Financial crime	RIM's financial crime capability is provided through two distinct teams: Financial Crime Compliance and Financial Crime Onboarding and is supported by a suite of policies and procedures.
A11	Operational resilience	RIM benefits from the strength of the operational resilience framework of a FTSE 250 company group. The framework in place covers the core areas of operational resilience, cyber security, information security, and business continuity.
A12	Recruitment	The Group has a robust recruitment process in place and supports initiatives such as its Graduate Academy and Apprenticeship Academy. Rathbones is committed to Diversity, Equality and Inclusion, as evidenced through a number of initiatives.
A13	Training and competence	The Training and Competence Team deliver training and competence across the Group, with supervision and development being provided through a defined structure involving first line staff.
A14	Outsourcing / Third party platforms	Rathbones retains full responsibility and accountability for its outsourcing arrangements and has appropriate mechanisms to monitor their effectiveness.

Rathbones Investment Management **Firm information - report findings**

A1. Ownership structure

1. The origins of Rathbones date back to 1742, when it was established by the Rathbone family in Liverpool, and the business has grown into the business as it is known today, an independently owned FTSE 250 company, employing more than 3,500 people and is responsible for managing £115.6bn for its clients. Rathbones provides investment services to more than 114,000 clients and operates from 23 locations around the United Kingdom, and the Channel Islands.

threesixty comment (A1)

As a subsidiary of Rathbones Group Plc, an independently owned FTE 250 company, there is a clear ownership structure in place for Rathbones Investment Management Limited.

A2. Board

2. The governance framework for RIM is headed by the RIM Board and ultimately the Rathbones Group Plc Board. The Rathbones Group Board meets a minimum of six times per year, and during the interim months, informal meetings take place between the Chair, Group Chief Executive, and non-executive directors.

3. The composition of the Group Board includes the Chair, Group Chief Executive Officer, Group Chief Financial Officer, a Senior independent director, and Non-executive directors.

4. The Group Board's role, as set out within it's terms of reference, is to provide leadership and ensure Rathbones is appropriately managed to deliver long-term shareholder value and contribute to wider society.

threesixty comment (A2)

The Group Board has a clearly defined composition and purpose as defined by its terms of reference, with full authority delegated to the Chief Executive and Group Executive Committee (GEC).

A3. Committee / Structure

5. Supporting the Group and RIM Boards are the Group Executive Committee (GEC) and the RIM Management Committee (RMC) which meet monthly. Other committees supporting the Plc Board include the following:

a. Group Risk Committee

This Committee is responsible for providing risk management oversight of the Group and each of its subsidiaries, including RIM, and meets at least five times each year.

The oversight provided to the Board includes Group risk appetite, Group risk profile and alignment to the risk appetite, risk management framework and compliance systems, and risk management culture.

b. Audit Committee

The composition of the committee is made up wholly of independent non-executive directors and meets at least four times each year and these meetings are organised around the reporting and audit cycle as deemed necessary.

The responsibilities of the committee includes review and/or monitoring of financial reporting, narrative reporting, whistleblowing, internal audit, external audit, and internal controls.

c. Remuneration Committee

The committee is responsible for the establishment of remuneration schemes and an appropriate remuneration policy for the Group's executive directors giving due consideration to the prevailing legal and regulatory requirements, the UK Corporate Governance Code, and the Remuneration Code. The committee also works closely with the Group Risk Committee to ensure that the Group's remuneration policies and practices are aligned to robust risk management.

A non-executive director chairs the committee, and meetings take place at least three times each year.

d. Nomination Committee

The Nomination Committee is chaired by the Group Chair and meets at least twice per year.

The committee's responsibilities include the periodic review of the structure, size and composition of board, which includes the mix of skills, knowledge, experience and diversity required, together with the development of contingency plans to cope with any unexpected departures.

6. There are also a number of executive committees which report into the GEC and RMC, and these include the Investment Executive Committee (IEC) and the Executive Risk Committee (ERC).

threesixty comment (A3)

There are a number of clearly defined committees and sub-committees in place to ultimately support the Rathbones Group Board.

A4. Risk management framework

7. RIM's risk framework is the responsibility of the Operational Risk function and is approved at least on an annual basis by the GEC. The Group Risk Committee provides oversight and challenge to the appropriateness and effectiveness of the risk framework on behalf of the Board.

8. A self-assessment of the risk framework is carried out during the first half of the year and any changes are implemented during the second half of the year.

9. The Operational Risk function is responsible for the production of quarterly management information in respect of RIM's overall risk profile and for monitoring the business against risk appetite, key risk indicators (KRIs) and risk events, and issues arising during the period and trends over previous time horizons. The management information is presented to the ERC, GEC and the Group Risk Committee.

10. RIM's approach to risk classification uses a three-tier hierarchy:

    a. Level 1

    There are four level 1 risks: financial risk; business and strategic risk; operational risk; and conduct risk.

    b. Level 2

    Consists of 20 risk categories, each level 2 risk is allocated to a level 1 risk.

    c. Level 3

    These are the detailed risks which sit underneath the level 2 risks, and it is these level 3 risks that are captured and placed within the Group Risk Register for future monitoring purposes. Each level 3 risk is then assessed using an impact and probability scoring method.

11. At the time of threesixty's assessment, there were 51 level 3 risks, and it was informed by the Head of Operations Risk & Data Protection that changes are being proposed to the level 2 risks categories in 2026, where AI and ESG are to be specifically included.

12. The Head of Operational Risk & Data Protection confirmed that a review of risk and control self-assessments (RCSAs) and its associated framework has been carried out is being undertaken at the time of threesixty's assessment. Details of the Rathbones risk management framework, including the risk appetite and risk management process (covering identification, evaluation, mitigation and control, and reporting) can be found within Rathbones Group report and accounts 2024.

13. A watch list is in place which captures current, emerging risks and threats, together with future issues, all of which may require active risk management.

14. Rathbones' risk profile, risk register, and watch list are reviewed on a regular basis by the ERC, GEC, and the Group Risk Committee. Summary information is provided to the Plc Board.

15. A Risk Plan covering the key elements of the risk framework, such as governance, risk assessments, risk framework monitoring, independent assurance and monitoring, and developments, is produced each year by the Operational Risk function. The Risk Plan for 2026 was in the process of being formalised at the time of threesixty's assessment.

16. threesixty was informed that the Group's risk appetite and approach are monitored monthly and is formally reviewed on at least an annual basis.

17. threesixty was informed that the Group Risk Management Policy which supports the above activities was updated in July 2025 and approved by the GEC.

18. Rathbones adopts a 'three lines of defence' model to support the risk framework. The responsibility and accountability for risk management is broken down as follows:

    First line: The business

    Senior management, business operations and support functions are responsible for managing risks by developing and maintaining effective internal controls to mitigate risk in line with risk appetite.

    Second line: Risk and compliance

    The three functions of risk, compliance and anti-money laundering maintain a level of independence from the first line. The second line is responsible for providing oversight and challenge of the first line's day-to-day management, monitoring, and reporting risks to both senior management and governing bodies.

    Third line: Internal audit

    The internal audit function is responsible for providing independent assurance to both senior management and governing bodies as to the effectiveness of the Group's governance, risk management and internal controls.

19. The Head of Operational Risk & Data Protection confirmed that specific training modules covering risk management will be introduced via the learning management system before the end of 2025.

threesixty comment (A4)

Rathbones has a strong risk management framework in place with appropriate oversight to ensure its ongoing appropriateness and effectiveness.

A traditional 'three lines of defence' model is used to support the framework.

A5. Compliance framework

Compliance monitoring

20. RIM has a Compliance Monitoring Framework in place and threesixty was informed that the 2026 programme has been built and approved by the ERC. A Compliance Monitoring Procedure Manual provides details of the process flow for the Compliance Monitoring Framework.

21. RIM's Compliance Monitoring Regulatory Risk Assessment for 2026 has its own metrics which were developed by RIM and have been mapped to the FCA Handbook. The assessment breaks down each process into activities, examines inherent and residual risk, and this results in a rating. The assessment looked at Consumer Duty outcomes and creates an overall risk rating. Summaries of the risk assessment are provided to the ERC along with the proposal Compliance Monitoring Plan for approval. Once approved, the Compliance Monitoring Plan is presented for final approval at the Group Risk Committee.

22. RIM operates a Compliance Monitoring Programme (CMP), and this consists of a number of streams of monitoring activity including:

    a. Full Scope Thematic Reviews

    This includes risk-based work of a more involved nature, with approximately four of these reviews being completed each quarter. The Monitoring team regularly refreshes the Compliance Monitoring Regulatory Risk Assessments (the 'risk assessment') which is used to determine the thematic related work.

    b. Limited Scope Reviews

    These consist of test-based reviews and the nature of them enables around four per quarter to be completed. These reviews are also driven by the risk assessment outlined above.

    c. Prescriptive Testing

    This involves light touch sampling which reports back to the respective business areas.

    d. Surveillance Testing

    Ongoing, regular monitoring for market abuse activity and best execution via the use of an automated surveillance system and manual monitoring of trading and dealing activity.

22. In addition to the above programme of compliance monitoring, loop back' testing takes place, where critical management recommendations made in a previous review are revisited within 12 months to test the strength of the control and/or process put in place.

23. A programme of regulatory file reviews is being performed to assess the suitability of client portfolios and investment mandates. The results of these reviews are channeled into the training, competence, and conduct risk frameworks. The aim of the business is that every office is subject to review every two years, which is in addition to any ad-hoc reviews carried out.

24. The Chief Risk Officer and the Chair of the Group Risk Committee, have the ability to request a deep dive into any area of their choice, and these are referred to as 'Spotlight' reports. These are reported and escalated through the GEC.

Compliance team

25. Rathbones has two primary compliance teams which report directly to the Group Chief Risk Officer:

a. Compliance Advice and Conduct Risk

The team provides regulatory advice across several areas including, Proposition and Distribution, Investment Process, Client Facing, International Compliance, Conduct Risk and Consumer Duty and Compliance Control. As well as providing direct advice to the business, escalations of issues are presented through a number of committees.

b. Compliance Monitoring and Assurance

This team is responsible for ensuring that Rathbones adheres to all relevant laws, regulations, and internal policies. Its core activities include compliance monitoring and assurance, which involves conducting regular reviews to identify and address breaches of regulation or internal codes of conduct. The team also manages complaints and detriment cases, investigates issues such as data breaches, record keeping, client reporting, and breaches of ethics or gifts and hospitality policies. Additionally, the team is involved in thematic monitoring, file reviews, and daily surveillance to maintain regulatory standards and protect the business and its clients.

Policies

26. Rathbones have a Group policy framework to ensure adherence to relevant law and regulations and one which is designed to promote a culture of compliance. Due to the confidential nature of a number of these policies, threesixty was able to view a limited number of them.

26. Each policy tends to be subject to periodic reviews, with the review period being dependent upon the subject matter contained within each policy document.

26. All core policies and procedures are stored on the firm's intranet site for ease of access by members of staff, and AI is also under consideration to make it easier and quicker to find the guidance required.

SM&CR

27. RIM is a UK investment management business and an authorised deposit taker (bank) and consequently is defined as an SM&CR banking firm. As such, RIM does not meet either the Core or Enhanced SM&CR firm statuses, which apply to solo-regulated SMCR firms.

28. A SM&CR control framework is embedded as a robust control mechanism to ensure that RIM continues to comply with all relevant SM&CR requirements and standards. Overseen by the Board and Executive, this framework is kept under review to challenge and identify any weaknesses in relevant policies and procedures, which are then addressed as a matter of priority.

Rathbones Investment Management **Firm information - report findings**

Permissions

29. RIM's regulatory permissions, under their firm reference number 116316, are commensurate with the firm's activities, these being holding and controlling customer deposits and client money, arranging safeguarding and administration of assets, safeguarding and administration of assets, managing investments, arranging and making arrangements in relation to investments, dealing in investments as principal, dealing in investments as agent, and advising on investments.

Conflict of interest

30. A Group Conflicts of Interest Policy in place which is supported by a number of associated policies and procedures. The policy is owned by the Head of Compliance Advice and Conduct Risk and managed by the Compliance Advice team. The policy provided to threesixty was last updated in November 2024, and hence its next review is imminent.

31. Rathbones utilises a compliance governance system to manage staff disclosures and approvals for staff conflicts of interest, outside business interests, personal account dealing pre-clearance, and gifts and hospitality. The system is rules based which ensures that all staff pre-clearance requests are checked against the Group's detailed compliance policy requirements. In addition, the annual compliance attestation exercise to all Group staff is now distributed via the system, including an attestation of staff having read and understood the Group's Conflicts of Interest Policy.

32. The Compliance Advice team provides an annual report on conflicts to the Group Risk Committee and Group Executive Committee. The Group Executive Committee is responsible for ensuring that these conflicts remain within the Group's risk profile. It is understood that the report is completed at the beginning of each year.

33. Business conflicts of interest are also managed by the Compliance Advice team who maintain and regularly update the Group Conflicts of Interest Log with conflicts that exist in each Group entity.

34. Conflicts' training is provided as part of each new member of staff's induction programme, and refresher training is provided annually.

35. Last year saw the first time that the annual Stewardship exercise was rolled out to RIM Investment Managers via MCO. This exercise asks RIM's Investment Managers to disclose any clients that hold employment positions with companies that Rathbones holds positions in; thus, strengthening the governance framework for conflicts across the Group.

threesixty comment (A5)

Rathbones compliance capability is delivered through two teams: Compliance Advice and Monitoring and Surveillance, and they provide a number of streams of monitoring activity.

The Group has a strong conflicts of interest framework designed to capture conflicts and provide appropriate mitigation designed to eliminate or manage conflicts which arise.

A6. Audit

36. The Group has an internal audit function which acts as the third line of defence. The Audit Committee is responsible for monitoring the effectiveness of the Group's internal audit function in the context of the Group's overall risk management and internal control framework.

37. The Audit Committee is also responsible for providing oversight of the relationship with the external auditor, including their terms of engagement, remuneration, and their independence and objectivity.

38. The committee also has the task of recommending to the Board regarding the appointment and removal of both the external and internal audit functions as deemed necessary.

39. The Audit Committee has a terms of reference in place and the Group has an Internal Audit Charter, which was last updated in April 2025.

threesixty comment (A6)

The Group has a clear approach to the appointment, removal, and monitoring the performance of both its internal and external audit functions.

A7. Consumer Duty / Product Governance

Consumer Duty

40. RIM is defined as both a manufacturer and a distributor under Consumer Duty, and following its introduction in 2023, it has fully embedded the principles of consumer duty into its day to day working practices, as well as its culture. The Risk Committee has been tasked with monitoring the implementation of Consumer Duty across the Group.

41. The initiatives put in place to meet the Consumer Duty requirements include:

    a. Increased Testing on Proposition Design

    b. In Depth Proposition Reviews

    c. Regular Fair Value Reviews

    d. Clear and Transparent pricing in client facing documentation

    e. Enhanced communications guidelines

    f. Increased testing and monitoring

    g. Increased monitoring to ensure clients have the right products

    h. Better outcomes for vulnerable clients and accessibility

    i. Right support at the right time

42. The Group has a Consumer Duty Policy in place and a supporting governance committee structure to consider the appropriate flow of management information within the business designed to evidence the delivery of good Consumer outcomes.

43. Consumer Duty has been embedded across RIM as a whole, and the business views it as one where there will always be room for improvement in the future, and it is the responsibility of all members of staff and senior management to lead by example.

44. RIM has completed its annual Consumer Duty Board Reports as scheduled; the reports indicate that in general the business is complying with its Consumer Duty obligations. threesixty was informed that quarterly Consumer Duty reports are also produced for internal purposes.

Product Governance

45. RIM has a Product Governance Committee in place which is responsible for the regular review of the products and services it distributes to the intermediary market, and it also approves new products and services as part of the journey before they progress to distribution.

46. As RIM is a manufacturer and distributor of its MPS proposition, and also a distributor of its funds, it ensure that it is in receipt of sufficient information from manufacturers to distribute products, and this includes target market, characteristics, intended distribution strategies and vulnerable client considerations.

47. Each client proposition has a defined target market in keeping with MiFID II requirements. These are reviewed (and approved) by the Group Proposition Governance Committee (PGC). The PGC is also responsible for:

    a. Providing oversight of RIM's client propositions, ahead of them seeking final approval by the senior management team on an annual basis.

    b. Undertaking periodic reviews of each client proposition on a recurring basis. These In Depth Proposition Reviews (IDPRs) focus on five key proposition areas, pre-sale, point of sale, post-sale, on-going eligibility and client exits.

48. Summaries of these reviews are subsequently presented to the Rathbones Management Committee (RMC) and the Executive Risk Committee (ERC) as part of providing senior management oversight.

49. An annual assessment of Fair Value is completed on each product and service to ensure that RIM is delivering fair value to its customers.

threesixty comment (A7)

RIM has embraced Consumer Duty and Product Governance, and they now form part of business as usual activities. Evidencing good client outcomes through robust management information is in place and this is overseen by the Risk Committee and reported appropriately to senior management.

A8. Complaints

50. There is a dedicated Complaints Team which sits within the Compliance Team and hence the second line of defence. The team has grown as the business has grown, and through this growth, it has continued to see enhancements via a best of breed approach. There is also a dedicated team which deals with client detriment.

51. RIM has a complaints' handling framework, and a variety of tools, policies and procedures are available to all members of staff via Rathbones' intranet. The framework includes the Complaints Management Policy and the Client Compensation Policy, together with a redress framework document. The policies provide staff with the process of how to deal with a complaint, whilst the redress document provides the structure as to how redress should be calculated to promote a fair and consistent approach. It is understood that the policies are reviewed on an annual basis.

52. A complaints handling workflow system has been in place for a number of years and this undergoes continual improvement. The Senior Manager of Complaints and Detriment confirmed that the workflow system enables complaints to be captured and monitored from beginning to end and is also used to capture the symptoms of a complaint to assist the Group's in its analysis and drive to continually improve.

53. All complaints are appropriately aligned to the Consumer Duty outcomes, and the Group's complaints policies are linked to the Consumer Duty Policy.

54. Upon receipt of a potential complaint, the Complaints Team is contacted, and the matter is discussed. The Complaints team perform triage to identify whether the case meets the definition of a complaint or not, but either way, the case is still logged within the workflow system. Template forms are used to capture the relevant data to enable the case to be created on the workflow system. threesixty was informed that these forms have been updated since its last assessment to help make them easier to complete, which in turn, helps to generate more meaningful management information.

55. Once a matter is confirmed as a complaint, the complaint form is then submitted to the Complaints Team for them to complete an independent investigation to support the final outcome of the complaint.

56. For each complaint, key data points, including the root cause of the complaint, are recorded on each occasion. Also, the findings of each investigation are discussed with the relevant business area, at which point steps to mitigate future similar incidents are considered and agreed. These agreed actions are logged in the workflow system and tracked through to closure.

57. Since the last assessment, the process has been improved via the use of three day resolution letters which the first line teams deal with, supported by the Complaints Team, who also update the workflow system.

58. A formal detriment process is in place, such that where an error is self-identified by the business, it is forwarded to the Detriment Team, which is a sub-team within Compliance Monitoring and Assurance. The Detriment Team uses the redress framework document to calculate the appropriate level of detriment, and this helps to harmonise cases and provide consistency. The case is then returned to the relevant senior manager for consideration. The data generated from this process is incorporated into the reporting noted below.

59. Management information has continued to be improved since the last assessment, and work is ongoing to enhance the complaints data, which is reported through the Consumer Duty Board Reports, which are created on a quarterly basis. An example of this is to report upon the top three themes during the quarter, and there has been a request for additional information to be provided on the symptoms of complaints.

60. Reports are also provided on a monthly basis to the GEC and RMC, and also on a monthly basis, an extract of complaints is uploaded into RIM's comprehensive governance, risk, and compliance software system.

61. Rathbones uses a learning management system, to deliver mandatory complaints handling training, and the content for new starters and existing staff was in the process of being reviewed and refreshed at the time of threesixty's assessment. The Complaints Team are also looking at segmenting the training being provided to make it more appropriate to the role of the individual within the business. Further training is also delivered to relevant staff, in addition to the learning management system.

threesixty comment (A8)

Based on discussions with the Senior Manager, Complaints and Detriment, RIM appears to have complaint handling processes in place, together with management information reporting being provided to the appropriate management committees. Due to their confidential nature, threesixty was not able to view any individual complaint cases.

A9. Sustainability – Corporate arrangements

62. Rathbones is committed to improving the quantity and quality of its climate change-related financial disclosure by endorsing and implementing the TCFD framework. The 2024 Climate Report can be accessed via Rathbones website - rathbones_group_plc_climate_report_2024_2.pdf.

63. RIM's Responsible Business Committee (RBC) has oversight of both the Group's responsible investment programme and its environmental programme, supporting its interaction as well as approving its relevant disclosures. The RBC is a sub-committee of the GEC and regularly reports into both the GEC and the Plc Board.

64. Rathbones published its Stewardship Code Compliance Statement for the year ending 31 March 2025, and this is available from the Responsible Investment at Rathbones section of Rathbones' website.

65. Rathbones has been a signatory of the United Nation Principles of Responsible Investing (UN PRI) since 2009 and are fully supportive of the core principles of this major international organisation.

    a. The Rathbones Group has committed to net zero carbon emissions by 2050.

    b. Rathbones also takes part in a number of collaborative initiatives including:

    c. Institutional Investors Group on Climate Change (IIGCC)

    d. Nature Action 100

    e. Global Commission on Mining 2030

    f. The Investor Forum

    g. Climate Action 100+

    h. PRI Advance

    i. Personal Investment Management & Financial Advice (PIMFA) Sustainability Working Group

    j. WBA Nature Collective Impact Coalition

threesixty comment (A9)

Rathbones demonstrates its commitment to sustainable investment and has an established and documented approach to sustainability.

The Responsible Business Committee oversees the Group, including RIM's, responsibilities in relation to sustainability.

A10. Financial crime

66. Rathbones maintain Group wide high-level policies covering financial crime and anti-money laundering which are supported by documented procedures. These policies include:
    a. Financial Crime policy
    b. Anti-Money Laundering & Countering Terrorist Financing policy
    c. Anti-Fraud policy
    d. Anti-Bribery and Corruption policy
    e. Anti-Facilitation of Tax Evasion policy
67. RIM's Money Laundering Reporting Officer (MLRO) confirmed that the Risk Team monitor the policies as to when they require review by the Financial Crime Team, and this can be annually or every two years depending upon the policy concerned.
68. RIM's MLRO confirmed that there have been a number of positive changes, these being reflective of the wider remit of responsibility the team has in respect of the Group. One of the positive changes included the Financial Crime Team being divided into two teams in March 2025: Compliance, who activities include dealing with screening, horizon scanning, engagement with the regulator, and transaction monitoring; whilst Onboarding deal with all other activities including high risk aspects.
69. The MLRO also confirmed that additional SmartSearch functionality is being used by the Rathbones Group, and future initiatives include the use of a more automated tool to aid the identification of unusual transaction monitoring, which utilises elements of AI.
70. For clarity, the areas of fraud and data protection are housed within Operational Risk, whilst market abuse sits within Compliance.
71. The MLRO confirmed that there will be a change in the near future to the Group's sanctions screening capability, but Rathbones continues to adopt a risk-based approach.
72. The Group Financial Crime Policy could not be shared with threesixty during this year's assessment, on the grounds of confidentiality, but it is understood that the structure remains unchanged, together with the range of sub policies which support the main policy.
73. It is understood that all clients are risk rated individually and monitored according to the risk rating allocated to each client, and that all high-risk clients and PEPs are subject to annual monitoring as a minimum.
74. Where an overseas PEP is identified, these cases are referred to, and are approved by, the MLRO and the Chief Executive Officer or Chief Financial Officer.
75. Where a client is identified as high risk, enhanced due diligence client verification processes are followed which include verification of at least two documents to confirm the client's identity, one address verifier, an electronic verification check, an understanding of the client's source of funds and source of wealth with evidence, adverse media searches and, on occasion, the use of external specialist due diligence firms.
76. All anti-money laundering and financial crime policies and procedures are available to staff via Rathbones intranet. An Anti-Financial Crime Handbook was created by RIM's Deputy MLRO and is also available to all staff.
77. RIM's MLRO confirmed that the annual MLRO report was completed and presented to the relevant governing forums, and this year's report reflects the integration project.
78. Anti-money laundering procedures and awareness form part of the Group's induction programme with tailored anti-money laundering training and/or sessions carried out depending on the level of exposure to anti-money laundering risks connected to particular roles. Remote versions of the financial crime induction training is available which can be used as appropriate.
79. Initial and job role specific anti-money laundering training is also supported by training updates that Rathbones tends to vary in terms of content and approach each year, so that this remains fresh and up to date. Refresher training is provided on a rolling 24-month basis and e-learning is provided via a learning management system. The MLRO confirmed that training has been given on subjects including anti-money laundering, tax evasion, and sanctions in 2025.
80. All Rathbones' staff are sanction screened using SmartSearch in the same way as clients, as part of its continued diligent approach.
81. Internal Audit conducts a minimum of two reviews of the Financial Crime Team each year, with anti-bribery and corruption being reviewed in 2025.

threesixty comment (A10)

From discussions with RIM's MLRO and Deputy MLRO, there appears to be an appropriate framework in place covering financial crime and anti-money laundering, and this continues to be enhanced year on year.

A11. Operational resilience

Operational resilience

82. The Group Risk Committee oversees operational resilience and is responsible for scrutinising the completeness of the Operational Resilience Self-Assessment, including Important Business Service coverage and thresholds, as well as management plans to address outstanding actions, prior to recommending this for approval by the Board. This risk has, and continues to be, a material area of focus for the committee in 2025.

83. Rathbones has an extremely low appetite for losses and no appetite for systemic or materially high risk events that could affect the operational resilience of important business services.

84. The Head of Group Business Resilience has three key areas of responsibility, and these are the traditional business continuity, regulatory operational resilience, and major incident and crisis management.

85. The Group Business Resilience Policy and Framework document brings together Rathbones' approach to business continuity, operational resilience, major incident and crisis management, together with their IT equivalents.

86. There are three key Group business resilience principles:

    a. Identify & Prepare

    b. Respond & Adapt

    c. Recover & Learn

87. The Head of Group Business Resilience confirmed that the integration project has helped to enhance Rathbones' framework and documents were updated as appropriate. The Group's 'important business services' have been reviewed, and this resulted in minor tweaks to naming conventions. There have also been changes in organisation design as seen through teams where the business continuity landscape was updated for it to be correctly aligned.

88. The Group framework for third-party supplier and outsourcing risk management continued to be embedded and developed throughout 2024, and a technology solution has been sourced which will further improve the Group's controls in this area as it will add further systemic control to support operational resilience.

Cyber Security / Information security

89. The Head of Information Security confirmed that Information Security sits within the Group's Technology Team, and is operating as business as usual, post integration, having maintained stable services throughout this period.

90. Rathbones information security capability can be divided into two core areas of activity:

    a. Information Security

    This has an outward looking focus, and examines areas such as information security governance, penetration testing, project, and supplier assurance.

    b. Cyber Security Operations

    This manages cyber security defence, monitoring and security incident response activities. It also covers insider risk technologies with a focus upon data loss prevention.

91. The Head of Information Security confirmed that the Group's information security two year strategy was approved in 2025, and this will be focused upon the client journey, supporting colleagues, and also AI technologies.

92. Information Security is considered to be a key contributor for inclusion at the early stages of the project and programme management cycle, and throughout.

93. The Group's processes continues to be aligned to ISO 27001:2022 and also NIST's Cyber Security Framework (CSF) v2.

94. Vulnerability scanning and penetration tests of key (and any new critical) systems take place at regular intervals. Penetration tests are completed on a regular basis, and these are performed by a number of accredited external partners.

95. threesixty was informed by the Head of Information Security that bi-monthly phishing simulations are also completed. Targeted attack simulations are also conducted on an annual basis.

96. RIM utilises independent audit ISAE 3402, an international service organisation assurance standard. The 2024 audit was completed by Deloitte but was not shared with threesixty as part of this year's assessment.

97. The Head of Information Security confirmed that he presents at the Data Governance Committee, the Group Business Continuity and Resilience Committee (GBC&RC) and also reports into the COO Committee on a monthly basis, and this includes MI in relation to aspects such as incidents, training, phishing simulations, and also escalations made to the senior management team.

98. threesixty was informed that an AI Steering Group is in place, which the Head of Information Security attends, and this seeks to help the Group align to the EU Artificial Intelligence Act, which came into force in August 2024, and will come into operation gradually over three years.

99. The Head of Information Security confirmed that Rathbones provides e-learning tools via its learning management system to build a culture of integrity and compliance and to provide cyber security awareness training. The level of training is enhanced for those who perform certain roles within Rathbones.

100. The Group's learning management tool is used to provide comprehensive training for new members of staff, and there are also quarterly bite-size training provided, and bi-monthly phishing simulations carried out.

Business continuity

101. The Head of Group Business Resilience chairs the Group Business Continuity and Resilience Committee (GBC&RC) and this is responsible for the oversight of the Group's operational resilience, business continuity and disaster recovery framework. The committee meets on a quarterly basis and amongst its membership are the Head of IT Operations, Investment Management COO, and Head of Operational Risk. Minutes of the committee meetings are submitted into the quarterly ERC meetings.

102. As previously noted, one the key areas of responsibility of the Head of Group Business Resilience is traditional business continuity, and this is captured within the Group Business Resilience Policy and Framework document.

103. The Major Incident Management Plan and the Group Crisis Management Plan continue to be developed as part of the wider major incident and crisis management framework, in line with BS 11200 – 2014 crisis management guidelines and good practice, and ISO22301:2019. The plans are reviewed annually and approved by both the GBC&RC and ERC.

104. A new software tool will be implemented in the near future which will pull together all the Group's business impact assessments and business continuity plans (BCPs) into one place.

105. Business Impact Analyses (BIAs) are completed for all business areas, facilitated by the Business Resilience team. A BIA is designed to predict the consequences of a material disruption of a business function and gathers the information needed to develop the recovery strategy for each business area. The BIAs are then fed into the department / entity level Business Continuity Plans (BCPs).

106. The BIA is designed to produce a resulting process impact rating (there are 5 ratings that can be selected) which is based on the four key impact areas: financial; reputational; regulatory or legal; and client or service level agreement. In this context, a client could be internal or external.

107. BIAs are considered live documents and are subject to ongoing review. BIAs covering business-critical activities are reviewed formally every 12 months and are subject to sign off by the senior manager in each business area.

108. Rathbones has a number of roles which are involved in the business continuity process at a business area level:

    a. Authors

    They are responsible for the creation and maintenance of the BIAs and BCPs.

    b. Coordinators

    They support the activity within the business area.

    c. Owner

    This is individual who is accountable for the BIA and BCP and hence would be of an appropriate level of seniority.

109. To complement the above, Disaster Recovery Plans are in place, and these are managed by Rathbones' Technology function.

110. As noted earlier, a Crisis Management Plan forms part of Rathbone's major incident and crisis management framework, and this would be deployed depending upon the degree of severity of the incident which has occurred. The plan is owned by the Group Chief Operating Officer.

111. Rathbone's core systems and servers are split across cloud-based services and two secure data centres which are intentionally located away from Rathbone's business offices.

112. It is understood that the Group's systems have built in resilience, and this includes, for example, clustering and replication. Critical systems are fully represented within each data centre.

113. A backup of all the operational and client data is run each night, and these backups are then copied to the non-live data centre.

114. An annual self-assessment report is presented to the Board and normally covers the year to the end from April to March.

115. Rathbones carries out two tests each year of its internal communication strategy. The first test is an advance notification test which is designed to check that staff details are up to date. The second test is unannounced. For both tests, a four-hour window is provided for staff to respond.

116. The Group's learning management system is used to provide induction training during an employee's probation period. This training is refreshed for existing members of staff as appropriate to ensure that staff understand their roles and responsibilities during a crisis. In May 2025, new business resilience modules were launched, and these were supported by an awareness week, articles on the intranet, posters in the offices, and a test of the emergency SMS message system.

117. threesixty was informed that in 2023, a subject matter expert was engaged to measure Rathbones' alignment to the standard, and this resulted in a positive report.

threesixty comment (A11)

RIM benefits from the strength of the operational resilience framework of a FTSE 250 company group. Discussions with the Head of Operational Risk & Data Protection, the Head of Information Security, and the Head of Group Business Resilience confirmed that there is an appropriate framework in place covering operational resilience, cyber security, information security, and business continuity.

A12. Recruitment

118. The Group People function is responsible for handling the reference requests for all staff, including where appropriate, regulatory references. It is understood that recruitment processes and procedures are in place, and threesixty was provided with access to the Group Recruitment Policy, which was issued in February 2025.

119. The People Partner for Distribution provided a high-level overview and update of Rathbones Group processes to assist with this assessment.

120. The Chief People Officer is a member of the GEC, and the wider People Function has continued to receive investment, focused on people and technology, during the last year.

121. threesixty was provided with an insight into the process which would be followed for the recruitment of a new RIM Investment Manager, and this includes:

    a. Rathbones' management, supported by the People function, will consider the most appropriate route to recruit new RIM Investment Managers. This may include internal and external advertisements, utilising external agencies and search firms on a Preferred Supplier List, or by utilising direct sourcing methods.

    b. A series of leadership and competency interviews are carried out to assess technical, leadership and behavioural fit for the role aligned to the role requirements and the Group's values. A range of tools to assist those undertaking interviews is available.

    c. Detailed pre-employment screening, proportionate to the status of the role under the Senior Managers' and Certification Regime (SM&CR) is undertaken by Rathbones and a third-party specialist is engaged to undertake this on their behalf. The checks carried out include criminal records checks (at a level appropriate to the role) and credit checks and regulatory references (if appropriate and required).

122. threesixty was informed that Rathbones' supporting recruitment policies are kept up to date, training is available for line managers, and a structured assessment framework is in place.

123. Following the integration, a project named Moments that Matter was undertaken and concluded, focusing on aligning letters and notifications across IW&I and Rathbones. Since then, continuous improvements have continued across People Operations to streamline and improve service offerings.

124. A cloud based HR software system is used by Rathbones to track the recruitment process for all parties concerned. The system is also used as a learning management system, people system, and to deal with the end of year performance appraisals.

125. Rathbones has a number of initiatives in order to nurture new talent within the financial services industry.

    a. Graduate Academy

    This is a two year programme for those who have recently graduated and those with some experience. The process is university 'blind', designed to eliminate any unconscious bias and broaden the talent pool available to Rathbones.

    b. Apprenticeship Academy

    This is a programme for those who are looking to gain work experience whilst studying towards achieving a qualification, but for whom university would not be the chosen route.

126. There is also a partnership Future Asset that encourages girls going through high school as to the opportunities available to them within the investment management sector. There are also two Rathbones colleagues who sit on the board of Future Asset and do extensive work across Scotland in this program.

127. Rathbones has an 'Early Careers' landing page on its website and this provides information on virtual insight days which are held for school, college and university students, where attendees have the chance to meet members of the Rathbones team, ranging from graduates to senior leadership, to learn about the company's culture and values.

128. The Director, People Operations and Projects, also provided the following comment:

129. 'Our rigorous recruitment process is designed so that we select candidates who are not only qualified for the job in terms of skills, experience and qualifications, but also fit our standards of fitness and propriety. We also screen that their personal values align with our company values of We aim high, We get it done, We show we care, We do the right thing.

130. We pride ourselves on promoting internal mobility. At least a quarter of our roles firm-wide are filled with internal candidates. For Investment Management, we run a twice-yearly internal promotions panel where anyone who has met the entry criteria for the Assistant Investment Manager can apply for a promotion.

131. We believe in creating a diverse and inclusive workforce, and as such we are committed to avoiding any form of discrimination throughout the hiring process. To further diversity and inclusion, we forged external partnerships with specialist organisations such as 'Inclusive Companies' to access talent pools that may traditionally have been underrepresented.'

132. Fit and proper checks are carried out on all SM&CR staff, with Rathbones verifying information in relation to qualifications held, Statements of Professional Standing (SPS) and CPD records (where these are either a regulatory requirement or considered appropriate to the role).

133. Once in receipt of all the required information for the recruitment of an individual, the People function forwards the details to the Head of Training and Competence to help identify any risk areas that may need to be considered. If identified, these areas are fed back to the People function to explore and develop as appropriate.

134. If any potential recruit to the business is unable to pass the standard recruitment check and fit and proper assessment, this is escalated to the Fit and Proper Panel. This panel is chaired by a General Manager who is independent of the process, and includes the Chief People Officer, Chief Risk Officer, Investment Management COO, and various key decision makers representing the business. It is understood that the Fit and Proper Panel has appropriate terms of reference and clearly defined objectives.

135. A Group level Remuneration Committee is in place, with a corresponding terms of reference (dated December 2024) that sets the core principles and boundaries of the remuneration policy for executive directors across the Group, as well as determining the remuneration practices across the Group.

136. The Remuneration Committee consists wholly of independent Non-Executive Directors and meets at least three times per year with input from the Executive Directors, Chief People Officer, Chief Risk Officer, and external advisors, in order to provide good governance.

137. Rathbones believes that it pays its staff a competitive market rate expected from a firm of its size. Staff are encouraged to share in the success of the business through a save-as-you-earn and staff share incentive scheme, and many staff are also shareholders in Rathbones Group Plc.

138. Within the 2024 Annual Report and Accounts for the Group, It set out the remuneration philosophy, and this is for the remuneration policy to be designed to:

    a. Transparent

    b. Simple

    c. Predictable

    d. Proportionate

    e. Drive the right cultural and behaviour and is aligned with the purpose ‘To help more people invest their money well, so they can live well’, the interests of key stakeholders, and the Group’s strategic priorities

139. Rathbones remains committed to supporting the progression of women into senior roles across the Group and signed up to the Women in Finance Charter. In its 2024 Gender Pay Gap Report, which is available via Rathbones’ website, its aim is to have 35% of women in senior management positions by September 2027, and it had achieved 30.4% by September 2024.

140. During 2024 Rathbones has continued to develop the number of colleague led inclusion networks, and these include Abilities Count, Armed Forces Network, Gender Balance, Generations Network, Multicultural Network, Pride, Social Mobility Network and Menopause Matters@Rathbones.

141. Rathbones believe in creating a diverse and inclusive workforce, and as such are committed to avoiding any form of discrimination throughout the hiring process. To further diversity and inclusion, Rathbones have forged external partnerships with specialist organisations to access talent pools that may traditionally have been underrepresented. Rathbones has a Diversity and Inclusion (D&I) strategy and action plan in which is detailed the commitments and actions to help create a more diverse, equitable and inclusive workplace.

142. The Group’s DE&I strategy outlines the priority areas of focus which are currently:

    a. To build a culture of inclusion where colleagues feel safe, respected and where they belong

    b. To increase ethnic minority representation, recognising the need to accelerate progress in this area

    c. To maintain our commitment to increase female representation and close the gender pay gap

143. Across the Rathbones Group, the Rathbones Group CEO and the other members of the Group Executive Committee (GEC) are accountable for DE&I.

144. Within written communications, Rathbones use a structural inclusion language tool to check for and remove systemic biases when hiring, and within other processes.

threesixty comment (A12)

Based on the information provided and the discussions held with a representative from the firm’s HR team, there is a defined recruitment process in place, albeit threesixty was not provided with access to review specific staff records for individuals and therefore cannot provide comment as to the workings of the recruitment process.

The Group encourages new people into the industry as seen by its commitment to its Graduate Academy and Apprenticeship Academy, which have been running for some time.

Rathbones are a strong supporter of Diversity, Equality and Inclusion, and this is evident through the company’s commitments to various initiatives.

A13. Training & Competence

145. The Training and Competence Team, managed by the Head of Training and Competence, delivers training and competence across the Group. In addition to the Training and Competence team, there is a dedicated Learning and Development team which forms part of the People Function, including Front Office specialist members.

146. The Training and Competence Team comprises the roles of a Head of Training and Competence, Training and Competence Manager, Assistant Training and Competence Manager, and an Administrator role.

147. Regulated members of staff act under supervision, and a higher level of supervision is applied until competence has been demonstrated in all aspects of their roles. The management hierarchy in place includes three levels, namely, Area Heads, Office Heads, and Team Heads.

148. The scheme has been considered through a Consumer Duty lens. The T&C operating model is understood to focus on supporting the delivery of good client outcomes, and whilst threesixty was not provided with a copy of the current T&C scheme, it is understood that the following practices remain correct at the time of the assessment:

a. For new members of staff, various elements need to be completed, including those covering RIM and its culture, systems and controls, procedures, investment administration, research, ethical behaviour, and professionalism. Each training element must be signed off as complete as part of the competency assessment. RIM aims for competency to be achieved in approximately three months, and a training programme is put in place to support this. The Training and Competence team will review the evidence prepared by the supervisor to support the sign-off of an Investment Manager to competent status.

b. All certified individuals that have a Statement of Professional Standing are required to maintain a minimum of 35 hours CPD, which can be obtained in a variety of ways, both internally and externally. Competence is assessed on an ongoing basis.

c. To ensure that certified individuals maintain ongoing competence, they are subject to a quarterly review, and complete an annual Fit and Proper assessment, at which time recertification will take place, in addition to the end of year performance appraisal. This is captured through the Group's learning management system.

d. RIM adopts a risk based approach with an established range of Investment Manager orientated Key Risk Indicators (KRIs). There are a total of 12 KRIs in place and they include core areas such as complaints, CPD, ongoing reviews, and suitability. It is understood that the aspect of suitability contains multiple elements to it.

e. A management information dashboard, created using Power BI, provides the Training and Competence team and supervisors with timely information in order to provide robust supervision. Investment Managers can view their own dashboard when they wish to.

149. The Training and Competence programme primarily captures FCA staff subject to the Certification Regime. The Group has a separate training and development programme for other non-certified members of staff including those who provide information relating to the products and services of RIM, known in regulatory terms as 'Information Givers'. No specific details on this scheme were requested by threesixty for review.

150. At the time of threesixty's assessment, the Learning and Development Team were in the process of launching a Career Development Framework which will be effective from January 2026, and the framework will define role profiles and the corresponding skills requirements as part of the alignment exercise post integration of IW&I.

151. Client vulnerability has continued to be a focus of attention for Rathbones, and this includes an annual vulnerability module in place, management information is being captured and examined, and the Vulnerability Panel supports this work, as evident through:

a. CISI assessment on vulnerable clients

b. A Vulnerable Client Hub provides helpful tools and resources

c. Awareness sessions are held where the business works with six organisations, including the likes of CRUSE

152. Rathbones induction programme for new members of staff covers the subject of vulnerable clients, and role plays are carried out with relevant staff around subjects such as bereavement. These form part of an individual's overall competence.

153. There are a number of training initiatives being worked upon at the time of threesixty's assessment. These include a sales training programme (which will help with alignment), further developments in relation to the Consumer Duty outcomes of Consumer Understanding and Consumer Support and also training for those impacted by Conduct Risk. Further Senior Manager Function training is also planned for the future.

154. At the time of threesixty's assessment, there are approximately 690 Investment Managers within RIM and approximately 260 first line individuals providing supervision. The style adopted by RIM continues to be described as a 'player coach' supervision model.

155. The first line supervisors are supported by the following:

a. Attending a session with the Learning and Development Specialist

b. They are offered the opportunity to go to the Learning and Development Department

c. The opportunity to complete the CISI supervision essentials module. This is recommended for all supervisors

156. The Training and Competence Team contacts every supervisor each year to complete a competency check based on the management information gathered in order to assess the effectiveness of supervision being conducted and provide assistance and support as deemed necessary.

157. RIM's expectation is that its Investment Managers are qualified to level 7 and that Associate Investment Managers are at least level 4 qualified. Support is given to individuals seeking to obtain further qualifications.

158. Rathbones' Compliance Monitoring and Assurance team undertake half yearly reviews of the Training and Competence function. Also, on an annual basis the Training and Competence function undergoes an audit via Rathbones Internal Audit team.

threesixty comment (A13)

Due to the confidential nature of staff records, threesixty was not provided with access to review specific training records for a sample of Investment Managers. However, from a discussion with the Head of Learning and Development, and the Training and Competence Manager on the firm's approach to Training and Competence, it would appear that RIM has an appropriate training and competence framework in place for the monitoring and supervision of its Investment Managers.

A14. Outsourcing / Third party platforms

159. RIM has a number of outsource arrangements in place:

a. RIM's custody services are outsourced to BNY Mellon, whilst Rathbones Investment Management International outsources custody to BNP Paribas

b. Additional custody arrangements are understood to be in place as part of the integration project with IW&I

c. External partners are used for data centre services, and certain technology services

d. Rathbones' receives cyber security support and also some elements of technology support from Investec Bank

160. RIM's CASS Governance Committee is tasked with overseeing the protection of client assets, and any issues with BNY Mellon are covered in their monthly meetings. This meeting focuses on client asset protection as opposed to general service aspects. A supplier relationship owner, an assigned individual within the Operations function, is responsible for ensuring there is ongoing monitoring of BNY Mellon, including the general service provided.

161. Operations carries out an annual due diligence exercise which covers the services provided. There is also a separate annual CASS due diligence exercise (undertaken by the Operations teams and Compliance function) to ensure BNY Mellon meets the regulatory requirements for protecting client assets. The financial review is completed by the Finance team.

162. The Operations team organises quarterly service reviews and they submit quarterly scorecards designed to assess BNY Mellon's service level fulfilment. If escalation is required, the team will inform the Head of Trading and Settlements, who will follow them up accordingly.

163. It is understood that a Global Custodian Agreement is in place and that Rathbones has its own internal service level agreements on settlement rates with BNY Mellon. If, due to BNY Mellon, these standards are not met, this is raised with BNY Mellon.

164. Compliance attends the RIM CASS Governance Committee meetings, inputs into the CASS due diligence exercise and covers outsourcing as part of their cyclical testing schedule.

165. Rathbones Group manages third party risk against the standards and requirements set by the Group's regulators through the Group Outsourcing & Third Party Supplier Risk Policy 'the policy' and accompanying Group Supplier Management Framework 'SMF'.

166. The policy was last approved by the Group Executive Risk Committee in November 2025. Within the policy and the SMF the method to assess third parties is defined including the process to assess if a third party meets the threshold of a material outsourcer / service provider. The SMF also sets out the minimum standards to conduct ongoing reviews / ongoing due diligence on suppliers, dependent on their risk classification. Material outsourcers, for example, have regular service reviews, information security and cyber assessment, and a balanced scorecard performance assessment. The results of the ongoing reviews and scorecards are provided to Rathbones SMF24 function on a monthly basis.

threesixty comment (A14)

Whilst there was no review of the workings of Rathbones third-party arrangements carried out as part of threesixty's assessment, from the information provided, the firm would appear to have the mechanisms in place to monitor the effectiveness of its outsourcing arrangements and hence demonstrating that it retains full responsibility and accountability.



Rathbones Investment Management
Intermediary arrangements

This section looks at how the DIM deals with clients and what are the legal and procedural arrangements with introducing intermediaries. It looks at the contracts and on boarding procedure and what checks they will do on the intermediary business. It seeks to identify whether or not the process, and the responsibilities of all parties are clear.

Ref	Area	Key comments
B1	Investment management services	Rathbones provides a range of investment services for the intermediary market from bespoke investment management to model portfolios. This range was increased earlier in 2025 with the launch of a Model Portfolio Service available through external platforms.
B2	Roles & responsibilities of the Investment Manager and the Intermediary Firm	The roles and responsibilities of RIM and the intermediary are clearly articulated in the relevant Terms of Business for each service.
B3	Intermediary support	RIM offers an extensive range of support to intermediaries which can be tailored to their individual requirements based on the level of engagement required by the intermediary.

B1. List of services

1. RIM offers a range of services that can be accessed by referring / introducing intermediaries for their clients. These services are:

   a. Bespoke Investment Management

   A dedicated RIM Investment Manager carefully constructs and manages a bespoke portfolio that is specifically tailored to the client as required. The Investment Manager provides a personal and bespoke service to the adviser and their client, and Rathbones takes care of all the investment administration. Access to this service requires a minimum investment of £300,000. The minimum investment for a Greenbank responsible investment bespoke portfolio is £500,000.

   RIM also has a Bespoke Liquidity Only discretionary service for clients seeking higher short term returns and/or tax advantages relative to holding cash with a bank. The target market information indicates a time horizon of between 6 months and 3 years, and access to this service requires a minimum investment of £300,000.

   b. Managed Investment Service

   A risk-rated range of ready-made and globally diversified portfolios are available under RIM's Managed Investment Service, with the addition of a dedicated RIM Investment Manager to precisely manage the tax and cash flow around the client's investments. The portfolios are available in GBP, Euro, and USD. The Investment Manager is personally on hand for the adviser and their client when needed, and all the investment administration is managed on their behalf too. Accumulation and income options are available, and also a responsible investment option via Rathbones Greenbank.

   To access this service requires a minimum investment of £150,000.

   c. Model Portfolio Service (MPS) on Platforms

   This is a new investment offering which provides access to a range of seven MPS portfolios using a blend of three in-house funds created specifically for the MPS by Rathbones Asset Management Limited (RAM), a member of the Rathbones Group. The portfolios have a 0% discretionary fund manager fee and ongoing charges capped at 0.5%.

   The portfolios have been aligned to a number of risk profilers, including Defaqto, Dynamic Planner, EValue, FinaMetrica, Oxford Risk and Synaptic. The portfolios are available across 14 platforms, and the minimum investment will be that set by each individual platform.

   d. Select

   RIM has carefully selected a risk-rated range of straight-forward, ready-made and globally diversified portfolios, from which the adviser can select the one that is the best fit for their client. RIM also takes care of all the investment administration, with a support team on hand to personally support the adviser and their client with any queries. To access this service requires a minimum investment of £15,000 (£9,000 for Junior ISA).

2. Information on each of the above strategies can be obtained from Rathbones website, and these include a number of document downloads such as factsheets and key investor information.

threesixty comment (B1)

Rathbones provides a range of investment services for the intermediary market, and this was expanded further with the MPS on platforms which was launched earlier this year. It is understood that further investment solutions will be launched in the near future.

B2. Roles and responsibilities of Investment Manager and Intermediary

3. In respect of the Bespoke Investment Management and Managed Investment Services, RIM can work with intermediaries on either an 'Adviser as Introducer' or a 'Reliance on Adviser' basis.

Adviser as Introducer

4. The 'Adviser as Introducer' basis means that RIM is responsible for ensuring that the choice of mandate and the underlying assets within the portfolio are suitable for the client both at outset and on an ongoing basis.

5. RIM will obtain sufficient information from a client before recommending any mandate to enable the Investment Manager to assess suitability and confirm the client's attitude to risk. RIM also has an ongoing responsibility to ensure that this mandate remains suitable for the client in the future, through its annual assessment of ongoing suitability.

6. This basis may appear to adviser firms like a duplication of effort, but with the focus on individual client suitability, RIM maintains its best practice approach, as set out within its Terms of Business, to ensure its approach is suitable for each client. However, the adviser's relationship with the client is fully respected by RIM when operating under the 'Adviser as Introducer' model.

Reliance on Adviser

7. The 'Reliance on Adviser' basis is RIM's intermediated proposition. This operating model is empathetic to the role of the adviser in the advice process and the selection of the client's mandate and the appropriate RIM investment strategy rests with the adviser.

8. Under 'Reliance on Adviser', the adviser determines the investment mandate best suited to meet the client's objectives, taking into account their current and future circumstances. RIM's role is to understand the mandate and select the most suitable portfolio of assets to achieve this, all the while the adviser maintains a watching brief on RIM and updates them on any necessary changes required to the investment mandate to ensure that RIM continues to invest with the client's best interests in mind.

9. To operate on a 'Reliance on Adviser' basis the intermediary firm must be approved by RIM. To evidence this, RIM will take appropriate steps to gain comfort in relation to the adviser upon which reliance is being placed. RIM has developed the following three stage process when considering intermediary firms for this method of engagement:

    a. Stage 1 - Due diligence

    This two-step process includes the use of a structured due diligence checklist by Rathbones. In addition to the checklist, Rathbones' checks include the FCA register, the complaints history search on the Financial Ombudsman Service (FOS) website, SmartSearch checks at both a firm and individual level, and adverse media checks.

    These checks are repeated annually as part of Rathbones' ongoing due diligence, with ongoing screening performed via SmartSearch software. Rathbones also requests a copy of the intermediary firm's vulnerable client policy and suitability policy.

    b. Stage 2 - Terms

    A user friendly document including information on the respective roles and responsibilities of the adviser and Investment Manager and contractual agreements.

    c. Stage 3 – Intermediary education

    For 'Reliance on Adviser' RIM offers intermediaries the opportunity to partake in a short workshop intended to support working successfully with this proposition. The workshop covers RIM's investment proposition, the respective roles and responsibilities of the intermediary and the investment manager under 'Reliance on Adviser' and introduces RIM's range of investment strategies.

    RIM also provides all intermediaries with an information guide and other supporting collateral to aid their understanding of working successfully within this approach.

10. RIM does not place reliance on intermediaries for client due diligence purposes. It is required to verify the identity and address of every prospective client by obtaining suitable certified documents, such as a current passport or current full UK driving licence. Such requirements are also applied to beneficial owners and key controllers. Certification may be performed either by a Rathbones staff member or the client's financial adviser.

11. For the Model Portfolio Service (MPS) on Platforms, RIM, as detailed within the Terms of Business, will treat the intermediary as its client, and hence deemed a professional client. It will therefore be the sole responsibility of the intermediary to keep RIM informed about any change to the intermediary's circumstances which could affect the categorisation as a professional client.

12. RIM will have no contractual relationship with the end investor. This is in alignment with the 'Agent as Client' basis as set out in COBS 2.4.3R. It is therefore essential that the intermediary has the authority to act as agent in respect of each relevant client. The roles and responsibilities of RIM and the intermeidary are clearly outlined within the Terms of Business.

threesixty comment (B2)

For each of the investment solutions available from RIM, the respective responsibilities of the intermediary and RIM are clearly outlined within the corresponding Terms of Business and supporting documents.

B3. Intermediary support / Client support / General information

13. Intermediary support is delivered through a dedicated team of Business Development Directors across the UK to oversee the provision of Rathbones' LED-based range of products and services.

14. There is a Sales Distribution Team which operates from the network of regional offices together with a team based in London who provide telephone support, and support is also provided by a number of specialist roles.

15. A sales support team assists with the implementation of new relationships with intermediary firms and includes establishing the foundations for a successful working relationship. The sales support team also supports the initial and ongoing due diligence requirements of intermediary firms as well as maintaining a marketing team dedicated to RIM's communications with intermediaries.

16. RIM outlines what intermediaries can expect from engaging with it:

    a. Clear communication and responsive service

    b. Named contacts for the intermediary and its clients

    c. Practical support to the intermediary in the building of Central Investment Propositions (CIPs) and Central Retirement Propositions (CRPs)

    d. Simple, reliable reporting and documentation

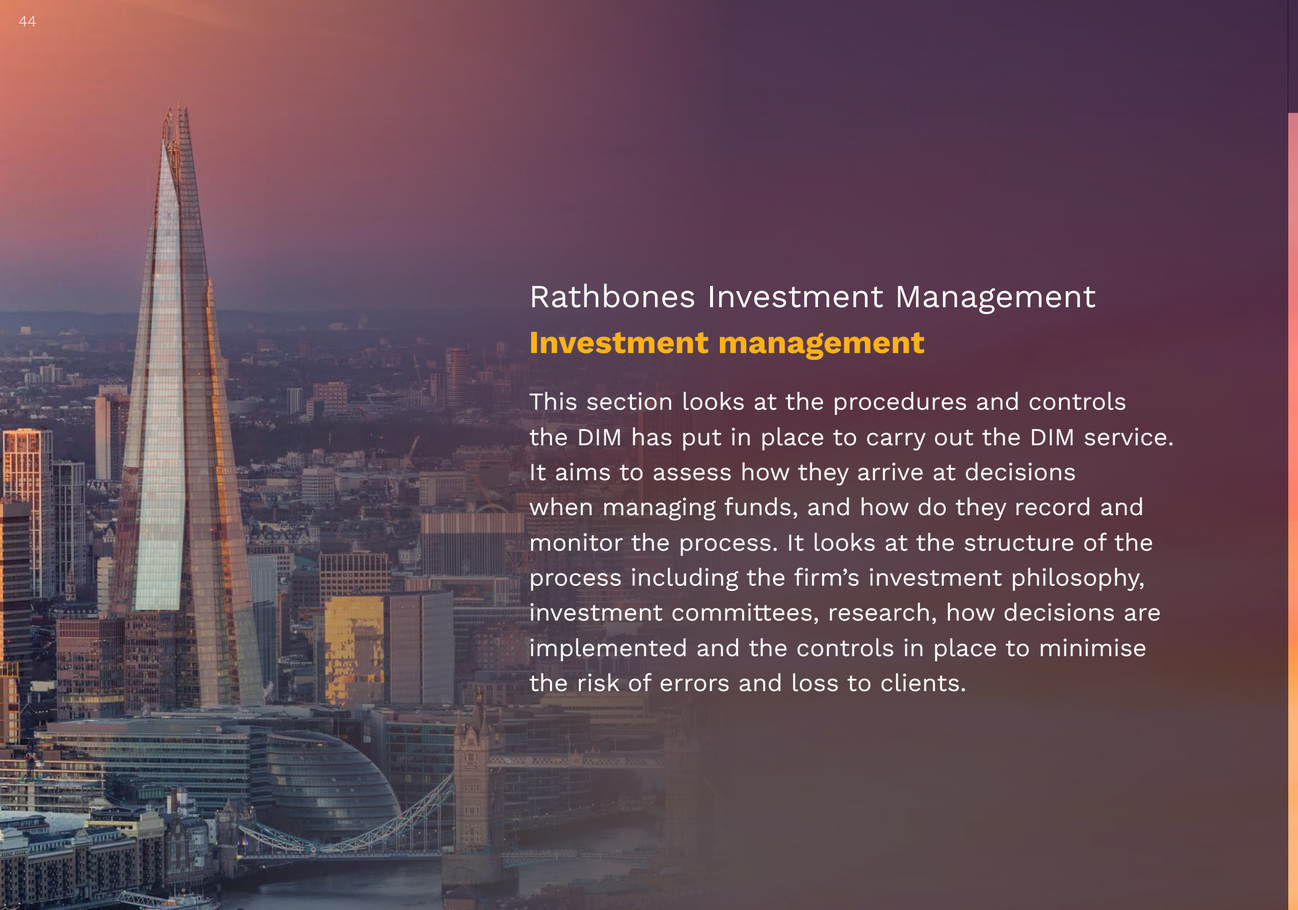
    e. A working relationship aligned to the intermediaries planning process and Consumer Duty responsibilities

17. There is a wide range of support available to intermediaries as required and, whilst not an exhaustive list, these include:
    a. Undertake joint marketing activities with intermediaries
    b. RIM offer training and support sessions covering a range of topics
    c. A comprehensive range of regular external communications aimed both at the intermediary and their clients
    d. Regular investment forums held by members of our investment team for intermediaries which are used to share RIM's market and economic outlook, planned investment changes, and a review of performance
    e. Road shows with an adviser
    f. A critique of an existing portfolio managed elsewhere
    g. Market update – webinar and in writing
    h. Financial Awareness programmes
    i. Support for intermediaries to help them satisfy their initial and ongoing due diligence requirements on RIM
18. The level of interaction will normally be determined by the needs of the intermediary firm.
19. Fair Value Assessments have been completed for each RIM service outlined within this assessment report. Each document, called a Proposition Summary, provides details of:
    a. Features and benefits of the service
    b. Supported account types
    c. The risk strategies and the blend of LED asset allocation
    d. Target market – positive and negative
    e. Vulnerable client considerations
    f. Costs and charges
    g. Fair Value Assessment – factors considered and the outcome
20. RIM has defined its target market for each of its propositions. Regular In-Depth Proposition Reviews (IDPRs) for each proposition are conducted by RIM to ensure that its products and services continue to meet the needs of its customers. An annual fair value assessment is completed to ensure that RIM is delivering fair value for its customers.
21. RIM subscribes to the online service 'DD Hub' in which additional due diligence information is provided in the form of the firm's responses to a series of set questions on the background to the firm and their investment process.
22. 'MyRathbones' is a client portal that enables the client, and their intermediary, to view their portfolio, including individual holdings and transactions, to access latest reports, and also allow the client to communicate directly with their investment manager.

threesixty comment (B3)

RIM has a wide range of support that it can provide to intermediaries and is able to be flexible in its approach depending on the level of engagement required by the intermediary.





Rathbones Investment Management

Investment management

This section looks at the procedures and controls the DIM has put in place to carry out the DIM service. It aims to assess how they arrive at decisions when managing funds, and how do they record and monitor the process. It looks at the structure of the process including the firm's investment philosophy, investment committees, research, how decisions are implemented and the controls in place to minimise the risk of errors and loss to clients.

Rathbones Investment Management
discretionary manager assessment report

threesixty

Ref	Area	Key comments
C1	Investment Governance	The Investment Executive Committee (IEC) is supported by a number of investment committees designed to oversee and manage the firm's discretionary investment management services.
C2	Investment Philosophy / Process	RIM's investment philosophy and approach to investment is clearly defined, with the latter being articulated through its LED framework.
C3	Sustainability / Investment process	As 'long-term stewards of our client's wealth', responsible investment is a principal component of Rathbones approach to investment.
C4	Stewardship	Rathbones is a signatory to both the UK Stewardship Code and the UN PRI and this evidences the Group's commitment to stewardship.
C5	Investment operations	threesixty was informed that RIM has appropriate procedures in place designed to manage its investment operations, including dealing and best execution.

Rathbones Investment Management **Investment management - report findings**

threesixty

C1. Investment Governance

1. RIM has a suite of documented procedures which support the investment management framework outlined below. These documents were not viewed by threesixty as part of this assessment.
2. The Investment Executive Committee (IEC) sits at the heart of RIM's investment operations, and its objective is to establish, resource and oversee the investment framework, as well as to communicate RIM's investment process in a clear and consistent way to its Investment Managers, whilst enabling the Investment Managers to use their own discretion to provide a true bespoke discretionary management service. The committee has been in place for over ten years, and a Terms of Reference remains in place which outlines the governance role that it performs.
3. Oversight of the investment framework includes the following:
    a. Monitoring the various investment committees detailed below and setting their terms of reference.
    b. Monitoring the performance of all Investment Managers on a risk-adjusted basis to ensure all clients receive consistent high standards of service.
    c. Ensuring the investment process is appropriately resourced.
    d. Ensuring the investment process has the ability to evolve, when necessary, to meet changing regulatory requirements and market conditions.
4. The IEC meets monthly and is chaired by an experienced Investment Director. There is wide representation from the Co-CIOs, Head of Investment Risk, Head of Compliance Advice and Conduct Risk and Investment Managers.
5. The IEC circulates the minutes of its meetings to the GEC and the WMC.
6. Reporting into the IEC are a number of committees including:
    a. Asset Allocation Committee
    b. Corporate Governance and Voting Committee
    c. Portfolio Construction Committee
    d. Equity Selection Committees (there are four of these)
    e. Collectives Committees (there are six of these)
    f. Structured Products Committee
    g. Fixed Income Committee
    h. Global Sector Committee
    i. Benchmark Committee
7. There is no formal Performance Committee, but the Head of Front Office Investment Risk provides reports into the IEC.
8. The Global Sector Committee is designed to enhance RIM's global capability.
9. In February 2025, the Committees reporting into the IEC were reconstituted following the combination with Investec Wealth and Investment. This allowed for a refreshed structure reflecting the enlarged business, and the opportunity to constitute committees with members from both legacy businesses
10. Each committee is supported by Terms of Reference and stock selection committees independently provide a recommended list, which is published on the Rathbones Research Hub and acts as an online library for the investment team. The processes are different for each committee, and they each have their own internal communications strategy.
11. The Portfolio Construction Committee meets six weekly. The aim of the Committee is to produce a set of portfolios that combines a blend of collective investments and direct equities, which are communicated to the rest of the business.
12. threesixty was informed that a lot of the analysis examined by the Portfolio Construction Committee is of a proprietary nature and this is supported using Barra as its chosen risk system.
13. As noted above, RIM has Co-Chief Investment Officers (Co-CIOs) and threesixty was informed that this works extremely well, as it brings together the disciplines of research and asset allocation.
14. Responsibilities are allocated on an individual and joint basis. One Co-CIO is responsible for: equity and collective selection; responsible investment integration; internal communications; and research operations. The second Co-CIO is responsible for asset allocation; risk analysis; fixed income and currency; business development and external communications.
15. On a joint basis, the Co-CIOs are responsible for, amongst other aspects: strategic vision and planning; investment process; thought leadership; regulatory matters relevant to their roles; and responsible investment philosophy.
16. RIM is compliant with the Global Investment Performance Standards (GIPS®) which are managed and maintained by the CFA Institute. These standards, which are widely regarded as the 'gold standard' of historical performance reporting, were created with the aim of ensuring fair representation and full disclosure of an investment firm's performance history. RIM's returns also are subject to external audit scrutiny by Ernst Young on an annual basis to test and verify RIM's robustness.
17. A GIPS® Committee is in place which meets as and when required and is chaired by the Manager - External Reporting Performance. The GIPS® Committee provides onward reporting to the IEC.
18. In addition to the above, RIM receives independent economic analysis from Oxford Economics, Capital Economics, Cornerstone, BCA Research, Gavekal. The latter two are used from a strategic asset allocation perspective.

Rathbones Investment Management **Investment management - report findings**

19. Rathbones' research capability has been enhanced with the addition of the IW&I Research team. For this reporting period, in RIM there are over 400 individuals dedicated to providing investment management and/or research. Rathbones leverages this extensive in-house capability alongside specialist third party research.
20. Rathbones' Research Hub is a digital repository designed to capture all internal research for Investment Managers to access and provides a central calendar to remind the team of forthcoming investment meeting dates.
21. There is an External Research Committee that reports to the IEC, and it is tasked with implementing the requirements relating to research (as set out within MIFID II) specifically to assess the quality and value of research received. The budget in relation to research is managed by the IEC.
22. Once per year, normally around January, the Asset Allocation Committee looks at Rathbones' long-term asset allocation and then meets each quarter to make tactical decisions and changes to the allocation if necessary. The committee has been streamlined over the last year.
23. The Rathbone Investment Desk (RID) is RIM's proprietary front-office investment system, and it is designed to assist the portfolio building process, including where restrictions have been agreed with a client such as investment, risk parameters, or ethical preferences. When looking to place a new trade, RID will remind the Investment Manager of any restrictions in place for that specific client to ensure that investment decisions continue to be in keeping with the client's requirements.
24. RID incorporates client data with dealing, performance and attribution, and modelling software. threesixty was informed that RID has been subject to a substantial update, and this includes enhanced risk controls.
25. Within RID, RIM has its own in-house system – Asset Allocation Management (AAM) - and this has been running for more than nine years. The AAM module sets parameters, and it issues alerts to prompt checks to be made. These checks are managed by the Investment Risk Team.
26. The functionality within the AAM module allows Investment Managers to create and allocate bespoke investment models to individuals or groups of clients. These models can be populated at any level from the broadest asset classes through to a full portfolio of individual securities with the target weightings attached. This drives consistent outcomes across a range of clients.
27. The AAM module indicates how the client's portfolio compares to its targets and tolerances at any of these levels and suggests trades to align the client portfolio to the model. Investment Schemes can be created to facilitate investment to the desired model. Models can be fully or partly weighted, and they can be standalone or linked to another model or central strategy. The module allows Investment Managers to configure lists of preferred securities - lists can be bespoke and / or Investment Managers can use a central Recommended Stock List (RSL).
28. All systems are continually monitored and updated. Investment Managers use FactSet on a daily basis to obtain price information for assets traded in investment markets around the world.
29. Rathbones has a Central Dealing Department which is separate to the investment decision making process, and it receives its dealing instructions through the order management system built into RID.
30. There is a process in place for how consideration is given to the proposed use of a new holding:
    a. In the first instance, a request is placed with the Research Department. The Research Department assesses whether the holding is appropriate via a process beginning with the analysis of a due diligence questionnaire, followed by various quantitative assessments, a qualitative overview, and a meeting with the company management team (for direct holdings) or fund manager (for third party funds).
    b. Investment Managers are permitted to undertake their own research and if they do so, they would have to follow the same structured approach that the research team uses.
    c. The research notes and supporting documents have a standard structure and compulsory fields must be completed.
31. RIM launched its range of composite benchmarks in 2021 which comprises indices linked to the asset allocation components. RIM believes this approach provides a better reflection for clients to measure their investment performance. The benchmarks were amended in July 2025 following the combination of RIM and IW&I.
32. The RIM Investment Risk Team is responsible for producing portfolio realignment reports which use pre-determined parameters to risk rate portfolios for monitoring purposes.
33. It was understood that oversight of investment management activities also covers procedures including risk reporting, individual reviews, quarterly summary, exceptions reporting, and quality assurance.

threesixty comment (C1)

Whilst this assessment does not include a detailed review of the workings of the various committees, it would appear that RIM has a clearly defined investment management framework designed to manage the risks within the investment service being provided.

C2. Investment philosophy / process

34. Rathbones has summarised its investment philosophy as follows:

    a. Real returns: generate returns in excess of inflation over a market and economic cycle.

    b. Risk management: diversification through active asset allocation and disciplined portfolio construction.

    c. Liquidity: avoid assets with limited trading activity and structures with liquidity mismatches.

    d. Bespoke: matching assets with personal liabilities or future cash flow needs

35. RIM's approach to investment management is in acknowledgement that assets behave differently in different market conditions. As a means of controlling and managing risk, Rathbones divides asset classes into three specified categories using its LED framework:

    i. Liquidity

    These are assets that can usually be sold easily, even during periods of uncertainty. They tend not to lose too much value or, in some cases, can perform positively when the broader investment community becomes increasingly nervous about risk. These assets are viewed by the markets as having low credit risk (the likelihood that a default will occur is low). However, changes in interest rates and currency exchange rates may affect their value.

    ii. Equity-type risk

    These can include equities and all assets highly correlated with equities such as corporate bonds, emerging market debt or commodities sensitive to the economic cycle. It is the element that drives investment performance over time.

    iii. Diversifiers

    Assets with diversification potential demonstrated by low correlation to equities, i.e. commodities like precious metals or agriculture, infrastructure, bricks and mortar, property and various other classes. Rathbones considers diversifiers to be assets that have the potential to reduce or offset equity–type risk over time, and possibly during periods of market stress.

36. The above framework is used by Investment Managers as a guide as opposed to being a fixed model to operate from. This then enables them to build portfolios that are tailored to an individual investor's needs and objectives.

37. RIM's investment process consists of four component parts:

    a. Understanding Clients Objectives

    This will be dependent upon the nature of engagement of RIM's service as to whether this is by a 'Reliance on Adviser' or an 'Adviser as Introducer' approach.

    b. Strategic Asset Allocation

    RIM utilises both its in-house research capability and also third-party research and analysis, to develop its long-term strategic asset allocation positions. Tactical and thematic ideas are also taken into consideration to capture specific investment opportunities.

    c. Investment Selection

    RIM's research is based on a set of eight specific criteria of the quality of the business, business risk, price, integrity, sustainability, quality of management, liquidity, and opportunity.

    d. Portfolio Construction

    In the construction of client portfolios, RIM is guided by a set of six principles, and these are described by RIM as follows:

    i. Active: We believe in active management and adapting to changing conditions in the global economy and financial markets.

    ii. Consistent: Investment managers are guided by the investment process and apply it consistently.

    iii. Scalable: We have designed our investment process in a way that means we can apply it across all client mandates regardless of portfolio size.

    iv. Flexible: Investment managers tilt individual portfolios to reflect considerations such as income requirements and tax liabilities, seeking to ensure returns are generated in the most efficient manner.

    v. Cost-effective: All trades are directed to our independent dealers who ensure best execution.

    vi. Informed: Investment managers have access to contribution and attribution performance measurement systems together with risk reports to help make informed decisions.

threesixty comment (C2)

RIM has an established investment philosophy and supporting investment process which is driven by its LED framework.

C3. Sustainability – Investment process

38. Responsible investment is a primary element of the Group's approach to investment, as it refers to itself as 'long-term stewards of our client's wealth'.
39. Responsible investment is one of Rathbones' four pillars of being a responsible business, the others being 'our people', 'society and community', and 'our environmental impact'.
40. The above pillars are underpinned by three foundations: robust governance; positive corporate culture; and identified material issues.
41. There is a range of governance and policies in place, together with a Stewardship Director.
42. There are three key bodies that support Rathbones' responsible investment initiatives: these are the Responsible Investment Committee; Corporate Governance and Voting Committee; and the Engagement Committee.

threesixty comment (C3)

Responsible investment is a key component of Rathbones approach to investment as it seeks to deliver good financial outcomes and in its own words create value for our clients, while also making a positive contribution to society as stewards of our clients' wealth'.

C4. Stewardship

43. The Rathbones Group has been a signatory to the Stewardship Code since 2022 and details of the Group's approach are set out in Rathbones Stewardship Code Compliance Report covering the year ending 31 March 2025, which can be viewed via Rathbones website.
44. There is a Stewardship Committee in place and also a Stewardship Director who is responsible for managing a team delivering proxy voting and engagement on ESG issues.
45. The Rathbones Group is also a signatory to the United Nations Principles for Responsible Investment (UN PRI).

threesixty comment (C4)

The Rathbones Group is a strong advocate of responsible investing and stewardship, and Greenbank Investments is a dedicated team providing ethical, sustainable and impact investment solutions within RIM.

C5. Investment operations

46. RIM has a Best Execution Framework in place which includes a weekly analysis of trades to test best execution and to identify; trends in trading methods, the top and bottom three brokers, and when most outliers occur. This analysis is submitted to the Dealing Director, RIM Operations Director, and key dealing team staff.
47. A Dealing and Best Execution Policy is in place which is subject to review at least annually. The quality of execution is monitored in the first instance by the post trade analysis team (operating as a 'first line of defence') using Liquid Metrix, a third-party best execution and market abuse monitoring system. This is then reviewed by Compliance operating as the 'second line of defence'.
48. There is also a post trade analysis team which is part of the Operations Team. As outlined above, the second line of defence review of best execution takes place through the Compliance trade monitoring processes.
49. RIM subscribes to ARC Private Client Indices to provide independent verification of performance.

threesixty comment (C5)

Based on information provided to threesixty there are appropriate procedures to manage the investment operations within RIM.



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