



Assessment of value: full discretionary service

April 2024

The Assessment of Value that has been undertaken for the full discretionary service from LGT Wealth Management Limited is detailed below.

The principles

When carrying out the value assessment, it has been guided by the following principles:



The FCA Consumer Duty rules and guidance – including the factors provided by the FCA that are required to be met for a product or service to offer fair value.



Taking the output of the assessment easy to understand, considering the Target Market and vulnerable clients.



Ensuring there is a clear difference between assessing value and simply measuring cost, as fair value does not necessarily mean lower costs.

Assessment of Value

Factors

The value assessment will be undertaken at least annually. The following “factors” have been used to assess value:

Factor	Summary of value assessment
Performance	How each portfolio has performed against its objectives and comparators
Cost/expected total price	The fees and charges clients pay for the benefits and services they receive
Service/any limitations	The quality and range of service provided by LGT Wealth Management and others
Benefits provided (linked to performance)	Evidence the benefits are clearly understood and valued
Comparable market rates	The service compared to similar solutions from other firms
Cost to serve	Any reduction in costs made possible or additional resources added

Each of the full discretionary service strategies has been assessed on its own merit, to ensure they are behaving as they should and delivering the required outcome. All factors are considered together because one factor alone is not conclusive of “fair value”. This means that the amount a consumer pays for a product or service must be ‘reasonable’ when compared with the benefits it offers.

Summary



After assessing all factors, it has been determined that the full discretionary service from LGT Wealth Management Limited is delivering "fair value" to investors.

Where any future issues are highlighted with any of the factors, actions will be taken, and progress and outcomes monitored internally. The aim is to provide a full discretionary service which has consistently high standards of service and delivers investment performance at a reasonable price.

Performance

This factor examines the performance of the portfolio strategies in terms of delivery against their investment objectives and comparators. The assessment is taken over the stated investment horizon detailed in the target market.

If a portfolio strategy has failed to deliver a total return ahead of its respective comparator it will not necessarily be viewed as not having delivered fair value. All investments carry risk and there is never a guarantee of performance against objectives or comparators.

Cost

This factor considers the fees and charges clients pay for the full discretionary service strategies. The assessment is undertaken on both published and any concessionary fee rates.

The assessment does not perform an analysis on other elements of the value chain e.g. advice. However, as part of our on-going due diligence and future value assessments, LGT Wealth Management Limited will consider fair value when selecting other parties in the distribution chain.

The total cost of providing the full discretionary service (as detailed in Cost and Charges) is reviewed regularly. Focus is given, not only to the Discretionary Investment Management Charge, but also underlying Fund costs (e.g. OCFs).

Service

This factor looks at the range and quality of service being provided by in-house functions and services delegated to third-party suppliers. For each, consideration has been given to how they have affected clients and supported the delivery of the full discretionary service. This includes if there have been any operational errors or any client Complaints..

For all key external suppliers, the following is in place:

- Contracts
- Key Performance Indicators
- Service reviews – e.g. custodian
- Due Diligence
- Risk events tracking

Where there are operational errors, or issues with the quality of service being provided, LGT Wealth Management Limited can demonstrate these are recorded and resolved in a timely manner. Where exceptions occur these are closely monitored or escalated as required.

Benefits

This factor determines whether the benefits of the full discretionary service are clearly understood and valued.

For Consumer Duty, some literature including operational collateral, marketing and website content will be tested by an independent third party.

The Target Market information has been reviewed and a summary made available on the LGT Wealth Management website along with this Assessment of Value.

Comparable market rates

This factor reviewed the costs and charges for the full discretionary service compared to similar solutions available in the UK marketplace.

Comparable market rates are subject to a degree of commercial confidentiality and can vary depending on the size of the assets invested. In addition, some firms might also have negotiated a different commercial contract which differs from published rates. However, where possible the published rates for the total cost of ownership under a Discretionary arrangement have been reviewed.

Cost to serve

Where possible LGT Wealth Management is always looking to deliver better value for clients. This can be achieved through several routes, including negotiating with third-party suppliers to receive better terms or changing suppliers where this is practical.

Our on-going review of client support, including support of Financial Advisers, resulted in additional roles being created specifically to support the full discretionary service.

Important information

LGT Wealth Management UK LLP is authorised and regulated by the Financial Conduct Authority Registered in England and Wales: OC329392. Registered office: 14 Cornhill, London, EC3V 3NR.

LGT Wealth Management Limited is authorised and regulated by the Financial Conduct Authority. Registered in Scotland: SC317950. Registered office: Capital Square, 58 Morrison Street, Edinburgh EH3 8BP.

LGT Wealth Management Jersey Limited is incorporated in Jersey and is regulated by the Jersey Financial Services Commission in the conduct of Investment Business and Funds Service Business: 102243. Registered office: 30-32 New Street, St Helier, Jersey, JE2 3TE.

LGT Wealth Management International Limited is registered in Jersey and is regulated by the Jersey Financial Services Commission under the Financial Services (Jersey) Law 1998 (as amended) for the conduct of investment business and fund services business: 38918. Registered Office: 1st Floor, Sir Walter Raleigh House, 48-50 Esplanade, St Helier, Jersey JE2 3QB.

LGT Wealth Management (CI) Limited is registered in Jersey and is regulated by the Jersey Financial Services Commission: 5769. Registered Office: at 1st Floor, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB.

LGT Wealth Management US Limited is authorised and regulated by the Financial Conduct Authority and is a Registered Investment Adviser with the

US Securities & Exchange Commission ("SEC"). Registered in England and Wales: 06455240. Registered Office: 14 Cornhill, London, EC3V 3NR.

This publication is marketing material. It is for information purposes only. Certain services described herein are not available to retail clients as defined by the FCA or the JFSC, as applicable; please speak to your investment adviser for further clarification in this regard. All services are subject to status and where local regulations permit. The wording contained in this document is not to be construed as an offer, advice, invitation or solicitation to enter into any financial obligation, activity or promotion of any kind. You are recommended to seek advice concerning suitability from your investment adviser. Any information herein is given in good faith, but is subject to change without notice and may not be accurate and complete for your purposes. This document is not intended for distribution to, or use by, any individual or entities in any jurisdiction where such distribution would be contrary to the laws of that jurisdiction or subject any LGT Wealth Management entity to any registration requirements. When we provide investment advice it is on the basis of a restricted approach that is to say, whilst we review and advise on retail investment products from the whole of the investment market.

Investors should be aware that past performance is not an indication of future performance, the value of investments and the income derived from them may fluctuate and you may not receive back the amount you originally invested.