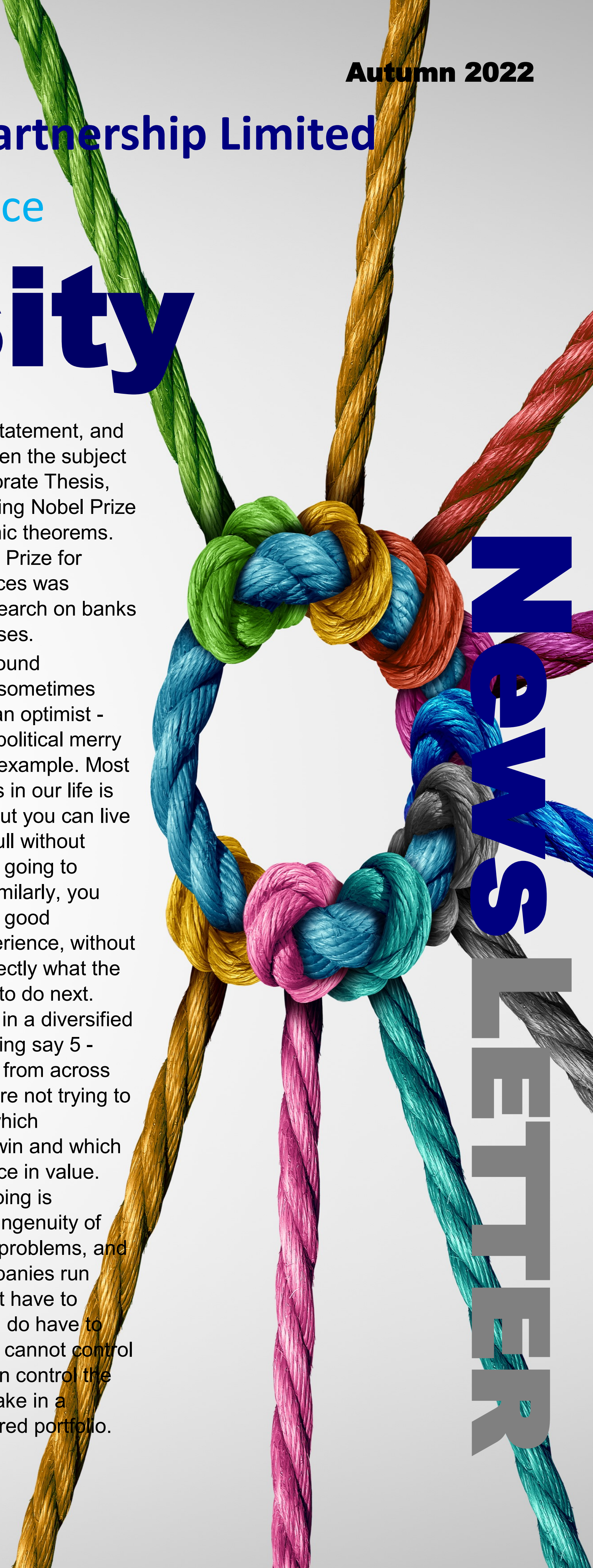
Autumn 2022

The Premier Partnership Limited

Your Family Office

Diversity



NewsLETTER

Diversity is an often used and often misunderstood word when it comes to the world of investing. A diversified portfolio is essential to reduce risk and produce investment returns, but what does this actually mean? Diversification in investment portfolios means creating an investment account that is spread between the four main asset combinations: Equities; Fixed Interest; Property and Cash. We accept there are a myriad of subdivisions of these asset classes, but essentially these are the main four.

You can then divide each asset class into areas such as larger or smaller companies in the equity section, long dated or short dated, or gilts or corporate bonds in the fixed interest sectors, commercial or residential property and in cash, instant access or term deposit.

All of these subdivisions are an indication of diversity of assets within a portfolio. It is this overall diversity that provides investment returns. There is much empirical evidence that surrounds this statement, and indeed it has been the subject of many a Doctorate Thesis, even and including Nobel Prize winning economic theorems. The 2022 Nobel Prize for economic sciences was awarded for research on banks and financial crises.

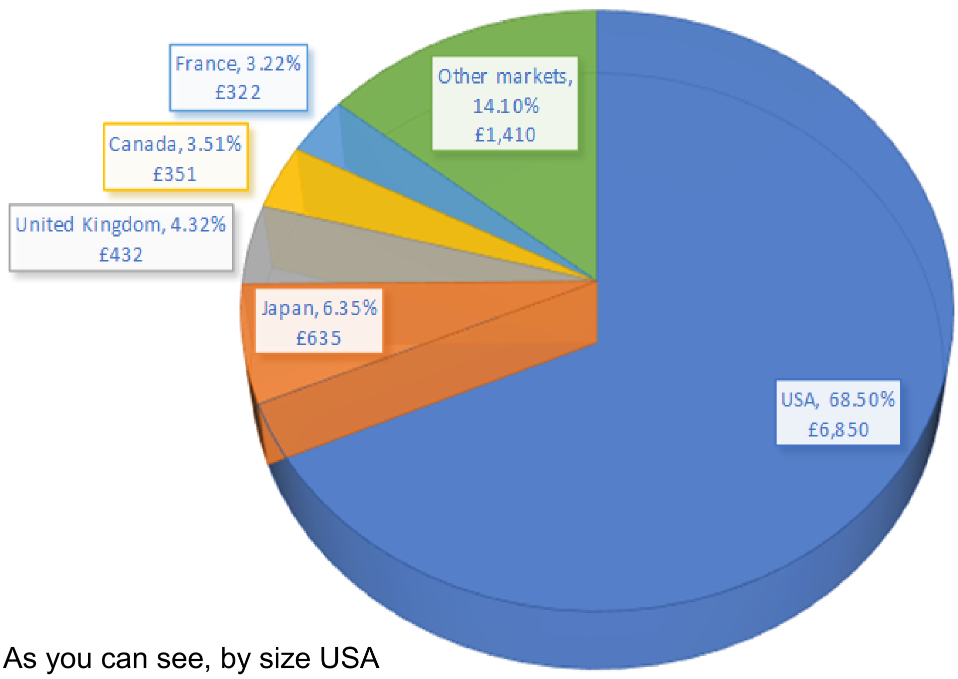
Given life's profound uncertainty, it's sometimes hard to remain an optimist - take the recent political merry go round as an example. Most of what happens in our life is unpredictable, but you can live your life to the full without knowing what is going to happen next. Similarly, you can have a very good investment experience, without forecasting correctly what the market is going to do next. This is because in a diversified portfolio containing say 5 - 8,000 securities from across the globe, you are not trying to second guess which companies will win and which will lose or reduce in value. What you are doing is investing in the ingenuity of people to solve problems, and make their companies run better. You don't have to predict - but you do have to plan. Whilst you cannot control markets, you can control the risk levels you take in a correctly structured portfolio.

Life prepares you for investing: Investing prepares you for life

History shows that every generation of investors must navigate a changing financial landscape. Currently that is the hyperactive flow of digital information that has spawned such things as Bitcoin, that can lure investors into 'get rich quick' schemes that very rarely create positive returns for the investor.

Controlling risk in equity portfolios is achieved via diversifying as an example, throughout the global markets. This can be done on a global market weighted basis, where you allocate money from a portfolio relevant to the overall size of that global market. This would be known as an equal to market weighted allocation and would look like this.

An imaginary investment of £10,000 into global markets.
Think of the portfolio as a pie chart and break it up into these slices:



As you can see, by size USA dominates the global stock markets, which is why we often refer to it in our writing and reports, as its influence is so high on portfolio performance.

However, if a fund manager particularly favours say the UK at present for investment, then they may choose to 'overweight' a particular market. Taking for example the UK allocation to 5% - meaning £500 (previous £432) would be invested in the UK, which would reduce another market weighting to 'underweight' to allow for the amendment to allocation.

Outside of the UK there are roughly 21,800 traded companies on stock markets. These represent nearly 96% of the world's £65 Trillion equity markets.

A strategy focused on global diversification captures returns from thousands of companies around the globe and can potentially offset weak performance in one market, with stronger returns elsewhere.

Investing in multiple countries can deliver more reliable outcomes over time, helping investors stay on track toward achieving long term investment goals.

Investing Rules

Having established that the drivers of returns on investments come from asset allocation and market diversity, now let's look at some other rules we adhere to when advising on clients' accounts.

Don't try to outguess the market.

The market's pricing power (daily average turnover $775 Billion) works against fund managers who try to 'time' the market, by selling out and trying to buy back in when they think conditions are better. The recent volatility in markets is a case in point. Evidence shows that only 18% of equity funds, and 15% of fixed income funds that trade actively, have survived and outperformed benchmarks over the last 20 years.

Resist Past Performance

Past performance means nothing - it's historic - it does not tell you how the fund will perform in the future. Only a fifth of all funds that appeared in top quartile performance tables over the past 5 years were still there five years later.

Let the markets work for you

Long term returns, not short term performance are what you should focus on.

Financial markets reward patience and long term investing and provide a positive return on investors capital over and above inflation.

Diversify

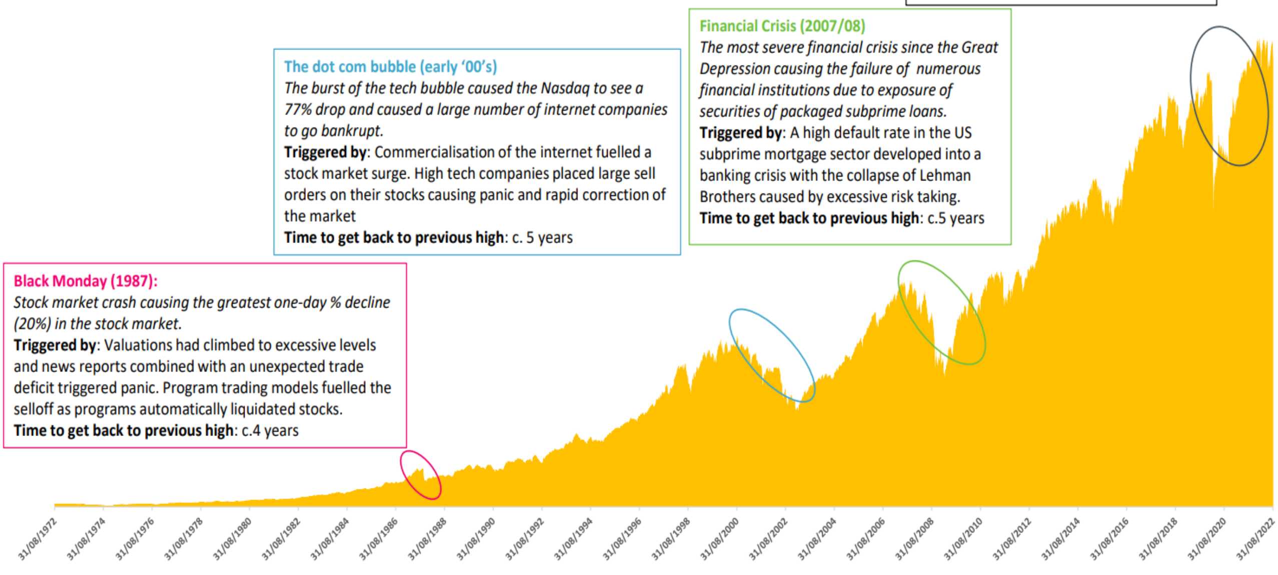
Having investments across many markets and market sectors helps manage overall risk.

Manage your emotions

Many people struggle to separate their emotions from investing. Markets go up - and markets go down. Reacting to short term market conditions may lead to poor investment decisions.

(All) Share: lessons from the past

FTSE All Share is the UK's primary stock index. Over the past 50 years, it has increased by c10.5% p.a. (including dividends reinvested). However, as you would expect from an equity index, these returns have not been generated in a straight line, with a number of significant sell offs over the period, followed by recovery. In the chart below we provide further comment on four notable sell-offs and the period to recover back to the previous level.



Source: Datastream

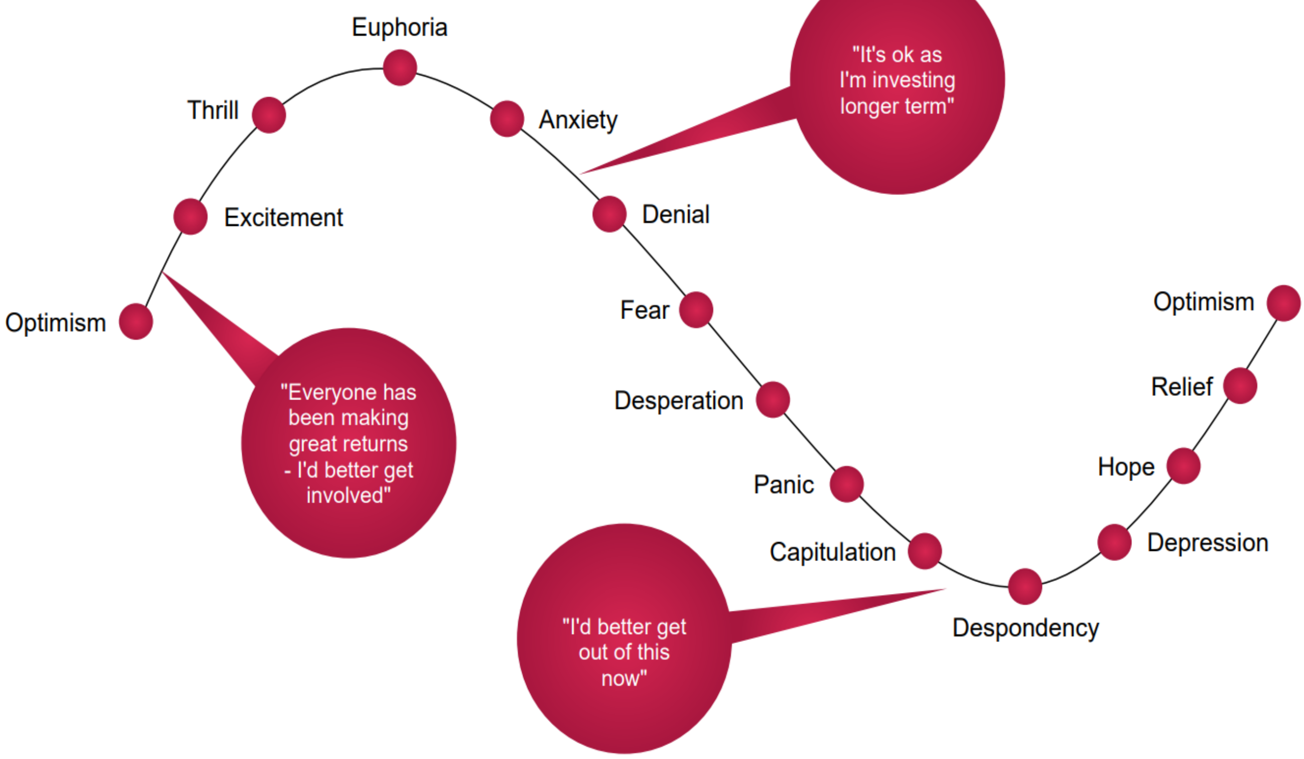
Focus on what you can control

A financial adviser can offer expertise and guidance to help you focus on actions that add value. Experience matters in markets, and cool experienced heads are required.

- Create an investment plan with your adviser that fits your needs and risk tolerance and meets your long term objectives
- Work with your adviser to structure your portfolio to include all dimensions of expected returns
- Diversify
- Review costs and charges. Average costs of a managed fund portfolio should be circa 2%
- Remain focused on the long term and don't get distracted by short term media noise

At PPL we embrace these rules, as experience and empirical Nobel Prize winning economic research and factors, encompass all of our investment portfolios. We constantly monitor and meet with our chosen investment partners to bring you the above disciplines in a simple, globally and asset diversified portfolio, for you to invest in. We do the research work so you don't have to.

How Emotions Affect Decisions



We Do The Work For You - Centralised Investment Proposition

We have brought all of the above disciplines in investment management together to form the basis of our centralised investment proposition (CIP) exclusively for our clients.

The essence of our CIP which is featured in the enclosed pages is diversity.

Not only across global markets and sectors, but also across leading management groups, each bringing a collective, but slightly different view to the party

Why Do I Need An Adviser?

Remember that financial resilience is about building wealth throughout life. It's not about just keeping some rainy day money available, although that is important as well.

Some recent research from Moneybox suggested that whilst 9 out of 10 millennials give thought to their futures and retirement, 7 out of 10 do not know how to proceed in funding that later life.

Millennials are now in their late 20's or early 40's, and whilst Auto-enrolment pensions are helping that problem, there is much more they can do and need to consider.

Tax planning in savings and investments is a vital cog in the whole process, and this can involve both personal and business planning. Tax planning should be totally integrated into the advice process, whilst retaining full flexibility for changes to future plans.

10 reasons why you should consider to use an Independent Financial Adviser

1. **To protect your loved ones**
2. **To help plan your spending and saving**
3. **To help plan your retirement**
4. **Inheritance Tax (IHT) & Estate planning**
5. **To find a genuinely objective product assessment**
6. **To find and retain the right mix of assets**
7. **To help your dreams come true**
8. **Tax planning & saving money**
9. **To help you stay on the straight and narrow**
10. **Good old fashioned peace of mind**

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The Premier Partnership Limited
Your Family Office

Our Centralised Investment Proposition (CIP)

OUR SERVICE IS BUILT UPON A DEEP UNDERSTANDING OF OUR CLIENTS

The following pages will detail the fundamental elements that make up our investment proposition. We have identified the phase or current position in the life cycle of the clients' financial planning, needs and characteristics of the particular client, what type and level of service they expect from us as their adviser and finally what platform they will sit on – again the platforms have been put through criteria that we believe will meet the needs and requirements of our clients.

The two main offerings we have are ‘Saving for the future’ and ‘Enjoying Retirement’.

The Premier Partnership Limited as an Independent Financial Adviser provide impartial and honest advice or as we like to call it wealth planning. We offer a full range of services to our clients, such as investment, pension, estate planning, legal and probate advice. Over the years we have built strong relationships with our clients, and plan to continue improving our proposition and service to them in years to come.

OUR APPROACH

- Focus on asset allocation
- Diversify portfolios
- Invest for the long term
- Carefully manage costs
- Consider responsible investment

Advice Flow Chart

Clients of The Premier Partnership Limited can expect advice in a timely manner and to be presented with clear information they understand allowing them to make informed decisions.

The chart to the left provides a foundation that we work through with our clients. It allows us to identify needs and areas of advice a client requires and allows discussion around possible investment objectives. We can then decide how we can work together to build the financial plan.

Although we have this chart, we do not beleive in a 'cookie cutter' approach and know that all of our clients are different. Therefore the chart and information in this brochure may not correlate directly with your own portfolio.

We offer our clients products and services that meet their needs, and will never recommend a product we beleive does not fit a clients requirements. If a higher risk product is required, you will be provided all relevant information and given a full explaination of the risks involved prior to any acceptance of the specific proposals.

Our Solutions and Service

- The Prosperity Range
- Vanguard
- Dimensional
- Parmenion
- The Platform

Our clients can expect to recieve fair value. We ensure our costs along with the solution we recommend are fairly priced.

We have worked with our clients since 1993, understanding exactly what they require. This has enabled us to develop a fantastic offering of investment solutions, which we believe performs with market leading costs and charges.

Ongoing work with our providers is constantly undertaken in the background. We meet regularly with our chosen providers ensuring that they are adhering to the original mandates set out and keeping a firm position when it comes to how our clients are charged.

To ensure added value, we advise our chosen providers and suppliers on ways to improve their documentation to make it easier for our clients to understand their personal investments and paperwork in general.

Client support is a service we pride ourselves on. Our clients can be confident that they do not experience long call-waiting times and have immediate access to the individual they require. Our clients have their problems solved quickly and effectively. We understand everyone has their own needs and requirements with the highest level of service and support being a necessity. Information is available to our clients in various formats and media. Personal meetings, Online Valuation Portal, Personalised Demonstration videos, Video Conferencing, Personalised App, Website, Blogs, Investment Reports and Newsletters.

The Prosperity Range

Portfolio Lookthrough (an example of how diverse our portfolios are)

The investment process involves stress testing thousands of potential portfolios across thousands of economic scenarios to identify the most robust opportunities in each risk bucket.

Taking a strategic, evidenced-based approach, promotes lower turnover and lower transaction costs.

Diversification seeks to promote greater certainty of future outcomes, by having multiple positions “in play” at any one time. It also seeks to avoid the risk of any single position having too big an impact on future returns.

Active management is focused on areas where there is greatest evidence in getting value e.g. in credit markets where a focus on company forensics can add value.

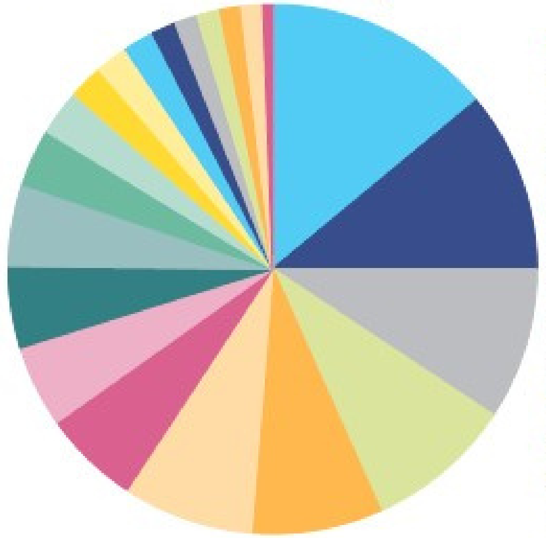
Hymans’ scale has supported some notable fee savings on funds. For a number of managers we have seen savings of 20% or more, relative to their standard rate card.

As an example of diversity, each portfolio model will contain over 12,500 different fixed interest investments; over 7,500 Individual companies, and over 20 cash issuers.

Within this range, we have risk rated portfolios ranging from 3 to 8. 3 being lower risk and 8 higher risk. Below is an example of the portfolios Prosperity 5 through to 8.

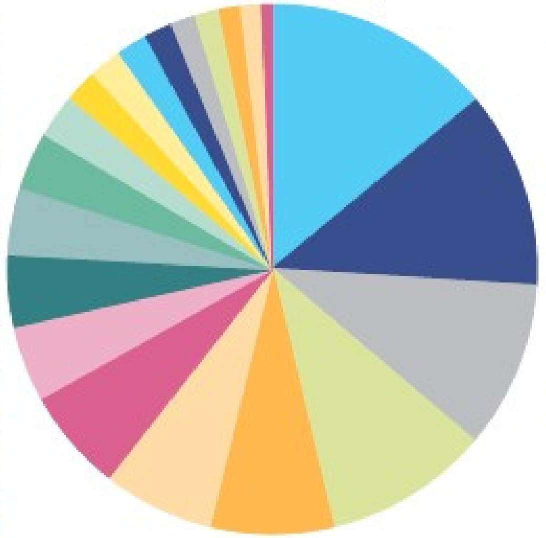
Funds and their weightings will change, therefore the below is an example to demonstrate the levels of diversification.

The Premier Partnership Limited - Prosperity 5 - Portfolio Holdings



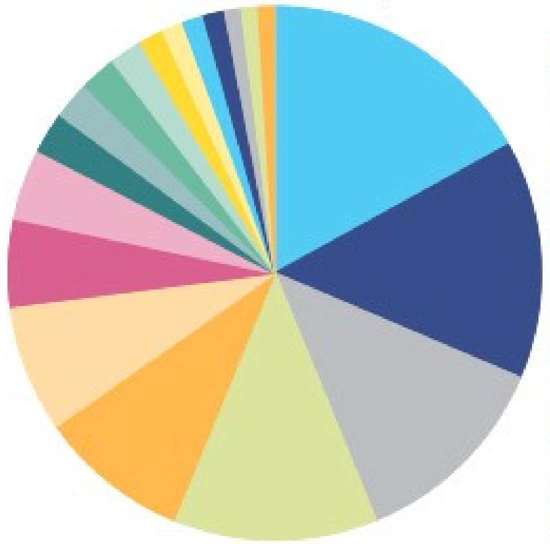
	%
L&G Short Dated £ Corporate Bd Idx C Acc	14.0
L&G Future Wld Clmt Chg Eq Fct Idx C Acc	11.0
iShares Continen Eurp Eq Idx (UK) D Acc	9.3
Vanguard Glb S/T Bd Idx £ H Acc	9.0
Fidelity Index US P Acc	8.0
L&G US Index C Acc	8.0
L&G Global Emerging Markets Index C Acc	5.9
PIMCO GIS Glb Hi Yld Bd Instl GBP H Acc	5.0
RLBF II Royal London Shrt Dur Crdt Z Acc	5.0
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	5.0
iShares Japan Equity Index (UK) D Acc	3.5
L&G Global Infrastructure Index C Acc	2.8
M&G Emerging Markets Bond GBP I-H Acc	2.1
BlackRock ICS Sterling Liq Premier Acc	2.0
L&G EM Govt Bond US$ Index C Acc	1.9
iShares Pacific ex Jpn Eq Idx (UK) D Acc	1.5
Capital Group GlbHiIncOpps(LUX) PhGBP	1.4
MI TwentyFour AM Dynamic Bond I Acc	1.4
Vanguard Glb Corp Bd Idx £ H Acc	1.3
Vanguard UK Invm Grd Bd Idx £ Acc	1.3
L&G EM Govt Bond Lcl Ccy Index C Acc	0.6
Total	**100.0**

The Premier Partnership Limited - Prosperity 6 - Portfolio Holdings



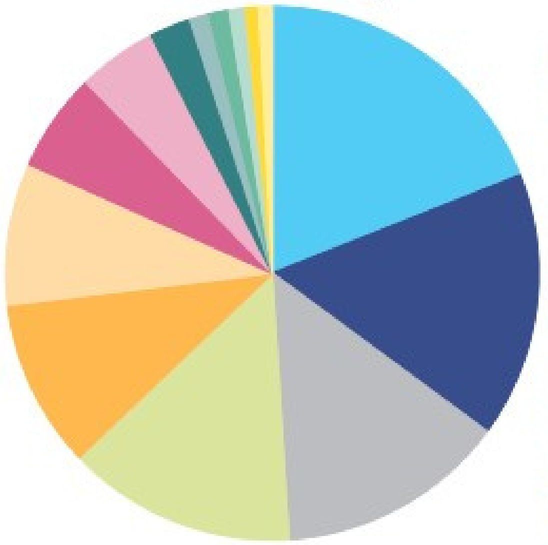
	%
L&G Future Wld Clmt Chg Eq Fct Idx C Acc	14.0
iShares Continen Eurp Eq Idx (UK) D Acc	12.0
Fidelity Index US P Acc	10.2
L&G US Index C Acc	10.1
L&G Global Emerging Markets Index C Acc	7.5
L&G Short Dated £ Corporate Bd Idx C Acc	6.8
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	6.3
PIMCO GIS Glb Hi Yld Bd Instl GBP H Acc	4.6
iShares Japan Equity Index (UK) D Acc	4.4
Vanguard Glb S/T Bd Idx £ H Acc	4.1
L&G Global Infrastructure Index C Acc	3.5
RLBF II Royal London Shrt Dur Crdt Z Acc	2.7
BlackRock ICS Sterling Liq Premier Acc	2.0
M&G Emerging Markets Bond GBP I-H Acc	2.0
iShares Pacific ex Jpn Eq Idx (UK) D Acc	1.9
L&G EM Govt Bond US$ Index C Acc	1.7
Vanguard Glb Corp Bd Idx £ H Acc	1.5
Vanguard UK Invm Grd Bd Idx £ Acc	1.5
Capital Group GlbHiIncOpps(LUX) PhGBP	1.3
MI TwentyFour AM Dynamic Bond I Acc	1.3
L&G EM Govt Bond Lcl Ccy Index C Acc	0.6
Total	**100.0**

The Premier Partnership Limited - Prosperity 7 - Portfolio Holdings



	%
L&G Future Wld Clmt Chg Eq Fct Idx C Acc	17.0
iShares Continen Eurp Eq Idx (UK) D Acc	14.4
Fidelity Index US P Acc	12.4
L&G US Index C Acc	12.4
L&G Global Emerging Markets Index C Acc	9.1
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	7.7
iShares Japan Equity Index (UK) D Acc	5.3
L&G Global Infrastructure Index C Acc	4.3
L&G Short Dated £ Corporate Bd Idx C Acc	2.5
iShares Pacific ex Jpn Eq Idx (UK) D Acc	2.3
PIMCO GIS Glb Hi Yld Bd Instl GBP H Acc	2.2
BlackRock ICS Sterling Liq Premier Acc	2.0
Vanguard Glb S/T Bd Idx £ H Acc	1.5
Capital Group GlbHiIncOpps(LUX) PhGBP	1.3
Vanguard Glb Corp Bd Idx £ H Acc	1.3
Vanguard UK Invm Grd Bd Idx £ Acc	1.3
L&G EM Govt Bond US$ Index C Acc	1.0
M&G Emerging Markets Bond GBP I-H Acc	1.0
RLBF II Royal London Shrt Dur Crdt Z Acc	1.0
Total	**100.0**

The Premier Partnership Limited - Prosperity 8 - Portfolio Holdings



	%
L&G Future Wld Clmt Chg Eq Fct Idx C Acc	19.0
iShares Continen Eurp Eq Idx (UK) D Acc	16.1
Fidelity Index US P Acc	13.9
L&G US Index C Acc	13.9
L&G Global Emerging Markets Index C Acc	10.2
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	8.6
iShares Japan Equity Index (UK) D Acc	6.0
L&G Global Infrastructure Index C Acc	4.8
iShares Pacific ex Jpn Eq Idx (UK) D Acc	2.5
L&G Short Dated £ Corporate Bd Idx C Acc	1.2
Vanguard Glb S/T Bd Idx £ H Acc	1.2
Capital Group GlbHiIncOpps(LUX) PhGBP	1.0
Vanguard Glb Corp Bd Idx £ H Acc	0.8
Vanguard UK Invm Grd Bd Idx £ Acc	0.8
Total	**100.0**

Charts and figures are for illustrative purposes only