

Rowan Dartington Target Market Approach

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Introduction

In this document we lay out our approach to what constitutes a target market and negative target market for Rowan Dartington. The governance frameworks referred to within this document ensures that Rowan Dartington meet the needs, interests, objectives, and characteristics of our target market.

Having a defined target market allows us to recommend Propositions, Models or Services to Clients to ensure that our advice is appropriate for our clients' needs and take steps to mitigate any potential Client harm, ensuring good Client outcomes.

This document is intended for all within Rowan Dartington that manufacture and/or distribute products and services to and/or communicate with our target market.

The scope of this document is to:

- Define our target market
- Detail how we service our target market
- Detail our ongoing monitoring

Rowan Dartington aims to invest in long term relationships and have a culture aligned to our clients' needs. We put the clients at the forefront of everything we do. We deliver on this purpose through providing initial and ongoing advice.

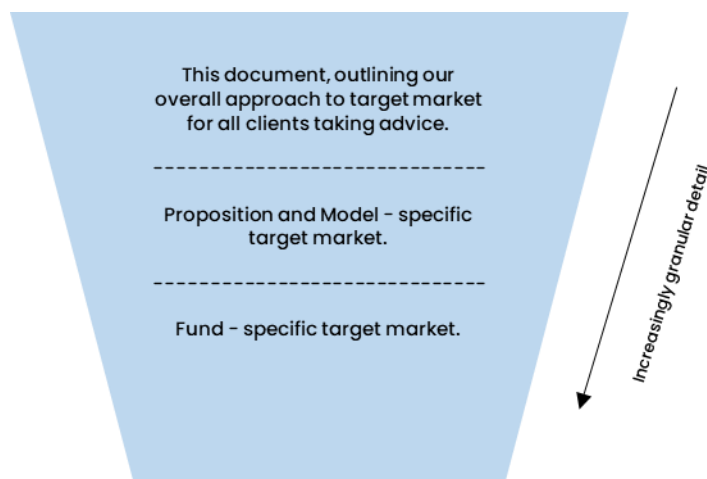


Figure 1: An increasing granularity is applied through the client advice process.

1. Defining the Target Market

We define our Target Market by ensuring our clients have the right objective, risk, and defined term. We ensure that any negative indicators are taken into account.

To do this we have created individual Target Market documents for each Proposition and Model which are reviewed on an annual basis taking into consideration evidence from existing clients.

We have three core Propositions: Discretionary Managed Service, Advisory Dealing Service and Execution Only Service. The first two of these are only offered through a full advice process, taking into account the needs and objectives of each client, including risk profiling. The Execution Only Service does not offer and advice or review.

Whether an individual is vulnerable or not does not include or exclude them from our Target Market. We aim to accommodate personal circumstances and vulnerable situations with targeted support and materials.

Our preference is always to look to give advice, but we do appreciate this is not always the right thing for all our clients and as such we support clients looking to make their own decisions via our Execution Only Service. Where a higher risk or complex instrument is requested, an appropriateness questionnaire will be required. This helps to ensure clients are aware of additional risks they are looking to take.

Negative Target Market

Upon review and where a client's situation has changed this may cause a position where the Proposition, Model or Service is no longer appropriate, as such our Investment manager will discuss and advise on an appropriate solution.

2. How we service our Target Market

Investment Planning is about identifying your personal goals and considering how your investments need to work best to help you achieve them. Your investment objectives also need to be in line with your risk tolerance.

We have minimum investment criteria for entry, we assess our minimums to ensure they remain good value for the costs and charges associated.

We have a minimum age criteria of 18 but no maximum age stipulated as we believe decisions should be individual and appropriate to clients seeking advice.

The following principles underpin our Advice framework:

- We are clear as to whom we are giving advice to.
- We gather all relevant facts about the client to be able to understand and document their investment needs and objectives.
- We seek to understand whether the client can financially bear any investment-related risks.
- We demonstrate that the client has the necessary experience and knowledge to understand the risks involved with any proposed recommendation, having established their attitude to risk.

Through our communications, and advice process, we then provide prospective clients with the information they need to make a fully informed decision as to whether this course of action is right for them. In this, they decide whether they feel the options; will help them meet their goals, are in line with their risk tolerance, and offer good value for money for them personally. It is them, and only them, who are best placed to decide if this is right for them.

This description focusses on initial advice however it is recognised that a client's preferences, circumstances and fit within the target market may change over time. As such all clients are offered a periodic review at least annually or at any point where client circumstances have materially changed.

Where the Investment Manager and client both agree to move forward with the course of action, we have other mechanisms of ensuring that the advice is suitable for this client. This is assessed through our Business Assurance process. We ensure that advice is provided within the Advice Framework by conducting checks across a range of advice areas based on a risk weighted approach by an independent Business Assurance function.

3. Investment Propositions, Models and Services

We have a range of products and services to underpin the Investment advice that our Investment Managers provide. Access to our Propositions can be directly via a Rowan Dartington Investment Manager or the St. James's Place Partnership. For each Proposition or Model the Target Market definition can be found within the relevant Target Market documentation, Rowan Dartington Target Market – Manufactured Products Propositions and Rowan Dartington Target Market – Manufactured Products Models.

There are clear regulated (upfront and ongoing) suitability standards against certain Propositions which we apply on an individual client basis.

4. Price and Value

We aim to give fair value to Clients and ensure we do so through price and value assessments.

The assessments demonstrate how the Propositions, Models and Services are providing fair value to Clients in the target market. They consider how different target market groups are using the product or service, and how this impacts the overall price that they pay.

Within this we look at how the price of Propositions, Models or services differ between different target market groups and provide the rationale for any differentiation.

When reviewing the value assessment throughout the life of a Proposition, Model or Service, we look to ensure they continue to provide fair value to Clients in the target market. The value assessment details how Propositions, Models and Services provide fair value for each of the different target market groups, including Clients who have characteristics of vulnerability.

5. Ongoing Monitoring

Target Market has been embedded into our frameworks through a programme of updates following the regulatory introduction in 2023. Activities undertaken to monitor Target Market and ensure good client outcomes, whilst also considering clients in vulnerable circumstances, are achieved by various activities and Committees across the business as detailed below:

- Business Assurance – This function completes desktop reviews of all new business and periodic reviews in order to assess the suitability rate of the firm and its Investment Managers.
- Advice Framework – The framework for how advice is given, and limitations imposed.
- Trade Oversight – A call listening function to assess the appropriateness of client trades.
- Training and Competence – Regulated Supervisory activities are conducted to ensure ongoing competence of Investment Managers.
- Conduct Risk Officer – Responsible for ensuring that clients are at the heart of what we do without conflict of interest.
- Remuneration Scheme – Our scheme includes quality measures to ensure rewards are not given inappropriately.
- Portfolio Construction Forum – Monthly meeting to oversee the implementation of investment policy into models.
- Advice committee – Monthly meeting to discuss Distribution updates, changes, and emerging risks.
- Risk Committee – Meeting to discuss any material risk events and regulatory breaches, to understand root cause and remedial action that is to be taken, apportioning these to the relevant areas of the business for the delivery of good consumer outcomes.
- Investment Management Committee – Is made up of representatives from across the business and is responsible for the governance and oversight of the Investment division.
- Committee of Client Outcomes – A committee of the RD Board responsible for ensuring good client outcomes are at the forefront of our business.
- Annual Board Report (PRIN-12) – The purpose of this report is to enable the RD Board to review evidence that the firm monitors client outcomes for retail clients in line with the principles of the Consumer Duty and has identified appropriate actions to enable the Board to confirm that the Firm continues to comply with its obligations under Consumer Duty.
- Product reviews – Regular product reviews and profitability monitoring ensures the ongoing fairness of our current products. Pricing paper and product reviews include verification of the target market.

