Centralised Investment Proposition (CIP)

July 2026

Stride Financial Advice

Introduction to our Centralised Investment Proposition (CIP)

There is an abundance of information available on where to invest your hard-earned money. Nearly everyone will have an opinion on where they think you should invest.

Our role is to identify the most suitable investment opportunities by tailoring them to your unique circumstance and financial goals.

We believe that before we can make any investment decision you need a suitable and robust financial plan.

During our discussions we will figure out what's important to you and where you want to go (the plan).

We will then use this plan to work out the most suitable mode of transport for you to get there (the investments).

This document establishes a framework to discuss your investment needs and expectations, assess your risk tolerance, and develop a tailored investment portfolio aligned with your objectives.

Before making any investment recommendations, we believe it is essential for our clients to understand the core principles that shape our investment approach.

These guiding principles serve as the foundation for building long-term, trusted relationships with you. No surprises. No jargon.

We recognise the dedication and effort that has gone into accumulating the wealth you are entrusting to us.

Therefore, we encourage you to review this document carefully, as it serves as a reference point for the discussions held at the outset of our investment journey together.

The Risks

- **Inflation risk** - inflation is the silent killer of wealth. Doing nothing with your money is a risk, even if it feels like a safe option.
- **Volatility** - We believe volatility is one of the most misunderstood aspects of investing. When properly understood, it can significantly reduce the stress of your investment journey. While company share prices naturally fluctuate, it's important to remember that the declines are temporary, the advancement is permanent.
- **Loss of capital (permanently losing your money)** - This risk can be significantly reduced, though never entirely removed, through diversification and discipline.
- **Concentration risk** - This is a risk that is also mitigated by diversification. Holding a few shares or even one single share increases your risk of loss substantially.
- **Liquidity risk -** This is the risk that you can’t sell what you own at the time you need to. The advantage of global financial markets is that investments are very easy to buy and sell so there is nearly always a seller or buyer. We avoid investing in illiquid investments like property.

The Risks - Market falls

What we know:

- Market falls are an inevitable part of investing.
- They are a part of the process, not a flaw in the system.
- The compensation investors receive for accepting that risk is, historically, superior long-term returns.
- When they occur (and they will), your portfolio will fall in value.
- Although this will only ever be temporary, it will test you.
- It's important not to react emotionally and to stick to the plan.

What we don't know:

- When market falls will be.
- How long these falls will last.
- When the recovery will happen.
- What future returns are going to be.

Timescales

- Investing is a marathon, not a sprint. The longer you hold an investment, the greater the likelihood it will deliver those sought-after returns. While "long-term" typically means at least five years, this can shift depending on the asset class and market dynamics.

- Short-term plays aren't our game. We steer clear of investments with horizons under five years, focusing instead on building lasting wealth.

- Safety has its limits—and its risks. It's natural to want to shield your money, but avoiding investment risk entirely can leave your capital vulnerable to inflation's slow erosion. Over time, this chips away at its real value and purchasing power. For long-term horizons, we believe you need to use higher-risk investments to preserve its real value.

- Investing demands patience, not haste. We want to make it as clear as possible: capital shouldn't be parked in investments for a quick turnaround. Our expectation is a minimum five-year commitment, stretching further as equity exposure ramps up.

- The longer the journey, the bolder the portfolio. A lengthier time horizon opens the door to greater investment in global equities, amplifying growth potential while riding out market waves.

Our Investment Philosophy

- Our clients will benefit more from fund investments than from directly buying stocks and shares, thanks to broader diversification, lower cost, lower administration and tax advantages.

- While there is no ‘perfect’ investment, the weight of long-term evidence suggests active managers struggle to consistently outperform the market after costs.

- Fees erode returns. Keeping the cost of investing to a minimum is essential to maximise returns.

- That’s why we believe that using index funds is the best way for our clients to achieve optimum investment returns for the lowest cost.

- Most of our clients will be invested in funds via a Managed Portfolio (MPS) through our preferred platforms. This offers the most cost effective option of holding a diversified portfolio.

- Ethical investing - If you have an ethical preference we can offer ethical investment options.

Our Investment Philosophy

Why we use a Model Portfolio Service (MPS)

For the majority of our clients, we believe a Model Portfolio Service offers the most suitable way to access a diversified, professionally managed investment portfolio:

- **Professional, ongoing management** — a dedicated investment team continuously monitors and rebalances each portfolio in line with its stated mandate, removing the need for ad hoc investment decisions during periods of market movement.
- **Diversification at scale** — MPS portfolios typically hold a broad spread of underlying funds across asset classes and geographies, which would be costly and impractical for an individual investor to replicate directly.
- **Cost efficiency through scale** — MPS providers manage pooled assets across many advisers and clients, allowing them to access lower underlying fund and dealing costs than would typically be available to an individual investor.
- **Consistency and governance** — a centralised, research-led MPS allows us to apply the same documented investment process across our client bank, supporting consistent and fair outcomes in line with the FCA's Consumer Duty.
- **Discipline** — a defined, rules-based rebalancing process reduces the influence of short-term market sentiment on portfolio decisions.

Our Investment Philosophy

- **Developed Global Shares (investing in the world's leading companies)** - Investing in developed global shares means simply buying into the profits of the world's top companies—many of which you will use every day. These stocks, from stable, advanced economies, act as the powerhouse of most client portfolios, driving growth and fueling long-term returns.

- **Emerging Market Shares (investing in companies in developing countries)** - Investing in developing countries' companies is riskier due to lax regulation and less mature markets, but it offers the potential for higher returns as businesses have plenty of opportunity to grow.

- **Fixed Interest** - This is where you lend your money to a government or a company in return for an interest payments. We include fixed-interest investments like bonds for many client portfolios. They provide steady income via regular interest payments, with predictable returns tied to issuer creditworthiness and interest rates. Though bond prices can still fluctuate significantly, particularly during periods of rising interest rates.

- **Property** - Due to the liquidity risk and high costs involved in property transactions, we don't invest client money in this asset class. Many of our clients will already have exposure to the UK property market via their main residence or rentals.

- **Cash / Money Market** - While returns are low, cash deposits benefit from the expectation (and usually a government guarantee) that the value will not reduce. How much cash you hold back in reserve is a key part of a successful financial plan.

- **Commodities and alternative investments** - We choose not to invest client funds in commodities or alternative investments, such as raw materials or speculative assets. Unlike shares or fixed-interest options, these don't generate income from interest, dividends, or company profits. Instead, their value fluctuates based on market supply and demand.

Research

Who the CIP is For: Our CIP is designed for clients with risk profiles between 3-9, focusing on growth-oriented strategies.

- **Risk Profile 1 (Cash Only)**: We don't advise on cash deposits, as there is little value for us to add.
- **Risk Profile 2**: Options exist, but you probably aren't ready to invest.
- **Risk Profile 3 - 9:** This is where most of our clients will fall within. The higher the rating the, the higher the risk but also the potential for greater returns.
- **Higher Risk Profiles (10)**: These reflect a taste for bold investing, with potential for double-digit swings. While we can support such clients, we'd work on a custom basis outside the CIP, as these portfolios may lack the diversification we value for balanced growth.

Risk Profiling

We use Defaqto risk profiling tool as a way, alongside discussion and consideration of a client's financial position and objectives, of assessing the level of risk a client can take.

Risk-mapping
In order to ensure that the recommended portfolio will be suitable for the client's Attitude to Risk: We make it simple to find the right investment strategy for you.

Here's how we assess your risk profile and build a plan that fits your goals:

- **Getting Started with Risk**: We use the Defaqto Risk Profiling tool to kick off a conversation about your comfort with investment risk. You'll answer a straightforward questionnaire to help us understand your preferences.

- **Crafting Your Risk Profile**: Together, we'll settle on a risk profile (rated 1-10) that feels right. This is based on the profiling tool's results, your past investment experience, specific answers from the questionnaire, and how much loss you can handle without stress.

- **Tailoring Your Plan**: Your risk profile guides us to investment options within our Central Investment Proposition (CIP), each matched to the 1-10 risk scale.

  See table below.

Beyond your attitude to risk, we also consider:

- **Required Growth**: How much your investment needs to grow, factoring in your starting point, regular contributions, and timeline.

- **Capacity for Loss**: Your ability to weather dips in your investment's value without derailing your financial plans.

Our Research Process

Investment Research

Managed Portfolio Services (MPS)

As mentioned earlier in this document, we believe that an MPS is the most suitable investment solution for the large majority of our retail clients.

We use Defaqto to conduct our investment research. When searching for the most appropriate MPS we assess the whole of market against the following core criteria:

- Group AUM greater than £5bn
- Service fee less than 0.2%
- 8+ portfolio options
- No set-up fee
- All fees included within the service fee
- Above-average or highest weighted satisfaction score
- 5 or more sustainable/ESG portfolio options available

Applying these filters to the whole of market (225 DFM propositions researched) narrows the field to two:

- Tatton Investment Management (Tatton Managed Portfolio Service)
- Timeline (Managed Portfolio Service).

Comparing like-for-like passive portfolios at an equivalent 60% equity risk level:

Cost Component	Timeline Tracker 60	Tatton Tracker (Balanced)
DFM Fee	0.09%	0.15%
Fund Charges (weighted)	0.07%	0.18%
Transaction Cost (weighted)	0.05%	-
Total Cost	**0.21%**	**0.33%**

On this basis, we have selected Timeline Portfolios as our preferred MPS provider.

Tatton Managed Portfolio Service remains part of our researched, whole-of-market evidence base and would be considered where a client's circumstances make it more suitable.

Vanguard Model Portfolios and ebi Portfolios' Managed Portfolio Service were also researched but did not pass our satisfaction score and/or sustainable portfolio count criteria.

Our Selected Solutions

Being independent, we have the ability to choose from the whole of the market and the very best investment options for clients.

We review our investment selection at least once a year but typically more frequently.

Our current investment solutions are listed below.

However, we are not limited to these. When deciding on our investment solutions, we look at a range of metrics such as performance against benchmark, costs, fund size and risk rating.

Timeline Tracker MPS

Timeline ESG Tracker MPS

Timeline Tracker MPS - low-cost, evidence-based discretionary Model Portfolio Service.

Timeline ESG Tracker MPS - Timeline's ESG strategies place greater emphasis on:

- companies that are adhering to higher sustainability standards
- while maintaining low-cost, buy-and-hold
- globally diversified approach that has been demonstrated to serve investors well over the long term.

Our Research Process

Platform Research

When looking for the most appropriate platform, we assess the whole of market against the following core criteria (last reviewed 10 July 2026):

- Platform annual charge less than 0.2%
- Assets Under Administration greater than £5bn
- CGT reporting (gains and losses, including inception reporting)
- Cash management service (panel term accounts or cash management service)
- Online subscription (new business and top-ups fully transactable online)
- Linked accounts facility for family/business charging

Applying these filters to the whole of market (55 platforms researched) narrows the field to two:

- AJ Bell Investcentre

- Fundment.

From this shortlist, we have selected Fundment as our preferred platform. Key reasons for this selection:

- They own their proprietary technology
- Exceptional customer service and support
- Simple onboarding process
- When combined with our selected MPS (Timeline Portfolios), Fundment's platform charge reduces to 0.15% per annum, lower than the equivalent combined cost on AJ Bell Investcentre

AJ Bell Investcentre remains part of our researched, whole-of-market evidence base and would be considered on a case-by-case basis where a client's circumstances make it more suitable.

Our Selected Solutions

Platform

We take where our clients' money and investments are held seriously.

As an independent firm, we have unrestricted access to the entire market, allowing us to identify the most advantageous options.

We research all aspects, including cost, user experience, functionality, and customer service, to ensure we choose the best fit.

To maintain this high standard, we conduct regular reviews and adjust when necessary.

After extensive research our preferred platform is:

- Fundment

Portfolio Risk Mapping

Portfolio	Defaqto Risk Rating (1–10)	Return Target	Forecast Volatility
Tracker 40	3	RPI +1%	7.4%
Tracker 50	4	RPI +1.5%	9.1%
Tracker 60	5	RPI +2%	10.9%
Tracker 70	6	RPI +2.5%	12.7%
Tracker 80	7	RPI +3%	14.5%
Tracker 90	8	RPI +3.5%	16.3%
Tracker 100	9	RPI +4%	18.2%

Defaqto risk ratings are based on forecast (not historic) volatility, a forward-looking estimate of how a portfolio's current asset mix is likely to behave, rather than a measure of how it has performed in the past.

The Timeline ESG Tracker is mapped in the same way.

Our Clients

Client segmentation is based on where you are in life's journey.

We have four main client segments and our clients normally fall into one of these categories:

- **Accumulators:** Individuals and young families who are in the early to mid-stages of their careers, focused on building their wealth through consistent saving and investing.
- **Core Accumulators:** Individuals and families who have built wealth and are typically earning more, seeking to maximise growth while preparing for future financial goals like retirement.
- **Retiring:** Individuals and families who are approaching retirement and need to shift their focus from growing wealth to providing income and capital to enjoy while they are no longer working.
- **Retired:** Individuals who are no longer working and rely on their investments and other income sources to support their lifestyle, often focusing on wealth preservation and legacy planning.

Governance

We will undertake a formal review of our CIP at least once a year and more frequently if we deem it appropriate.

Whenever we review this CIP we will review our research for the investment solutions, platforms and products that we have selected centrally for our clients and re-run this in order to determine whether these solutions continue to be appropriate.

These regular reviews of the centralised solutions are particularly important for any recommendations to new clients we work with, as it is important that our research is current.