

Adviser 3.0: Change Agents – May 2023



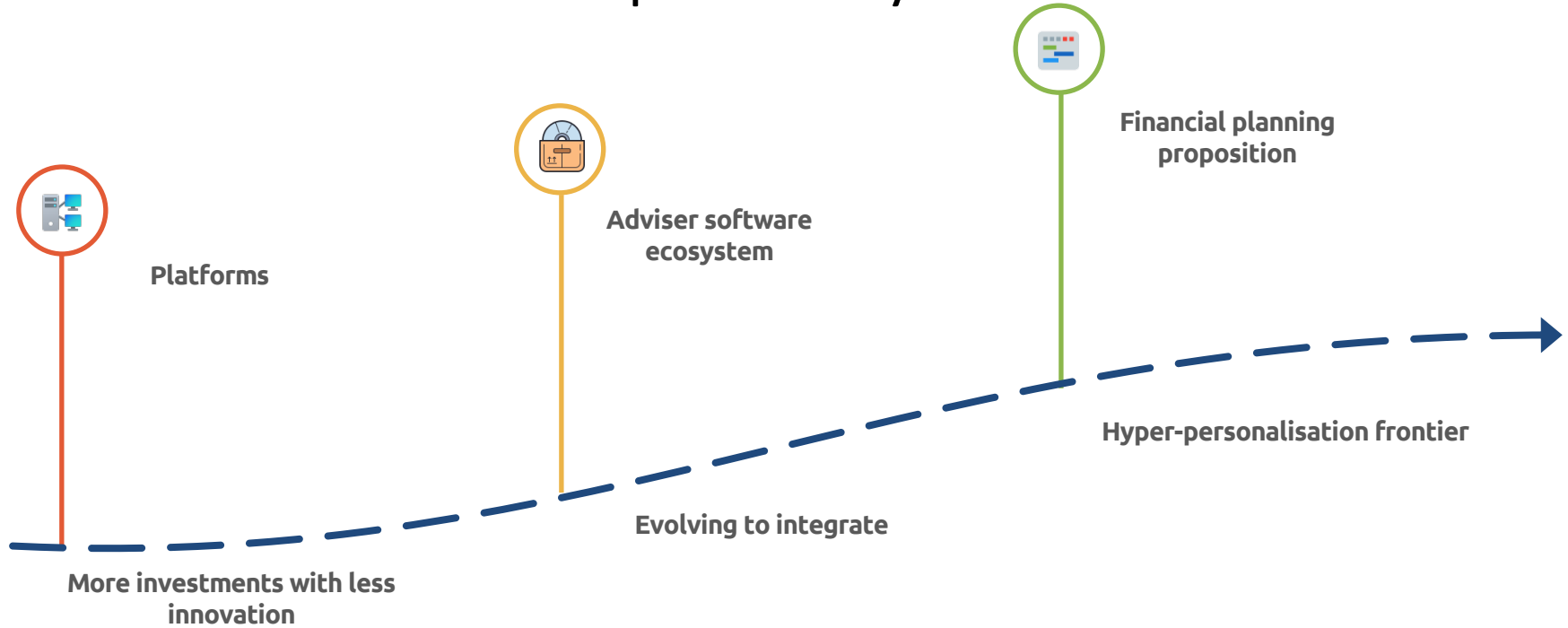
The Platform paradox

May 18th 2023

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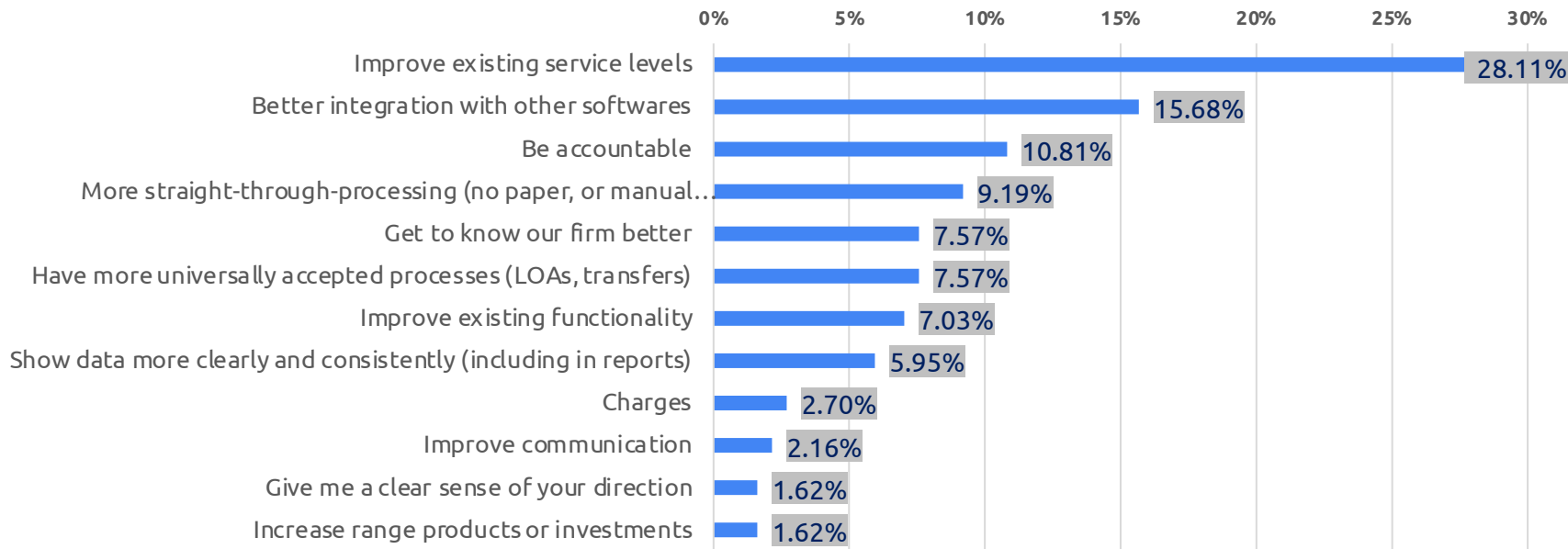
Our interaction roadmap for today



The platform paradox



What should providers focus on to make your life easier?



Source: The Lang Cat | State of the Adviser Nation, January 2023

Capacity expansion or efficiency

Much of the admin and manual processes involved in the process can be automated, allowing advisers to support more clients



Source: Image from Financial Advice Business Benchmark

Platform(s) or Interconnected services?

Custody & Trading

These include:

1. Safeguarding of client assets and money
2. Regulatory reporting & customary audits
3. Trading & transaction reporting

Payments & Software

These include:

1. Payment rails – open banking, direct debit, etc.
2. Development and maintenance of software
3. Rebalancing & various platform efficiency tools required by advisers

Client Reporting & Portals

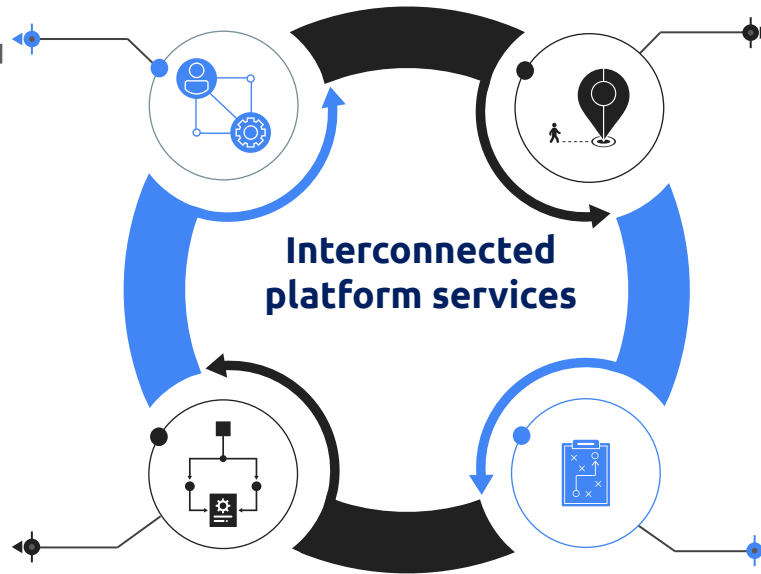
These include:

1. Client reporting, e.g. MIFID data
2. Client portal & dashboard
3. Fees engine
4. Adviser dashboard & MI
5. Adviser CRMs & backoffice

Tax Wrappers

These include:

1. Pensions
2. Drawdown including all the options
3. ISA, bonds, etc.
4. Trusts



Platform(s) or Interconnected services?

Custody & Trading



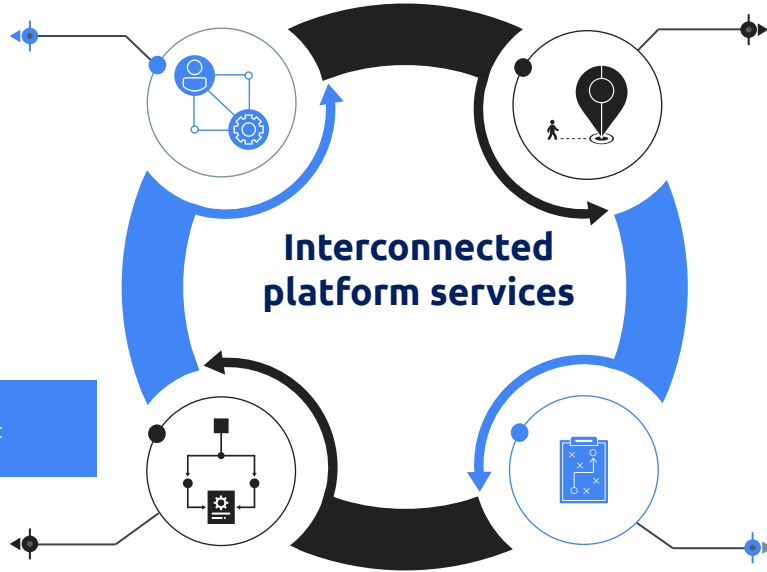
Payments & Software



- Fee billing
- Portfolio management
- Account aggregation



GBST



Client Reporting & Portals



Tax Wrappers

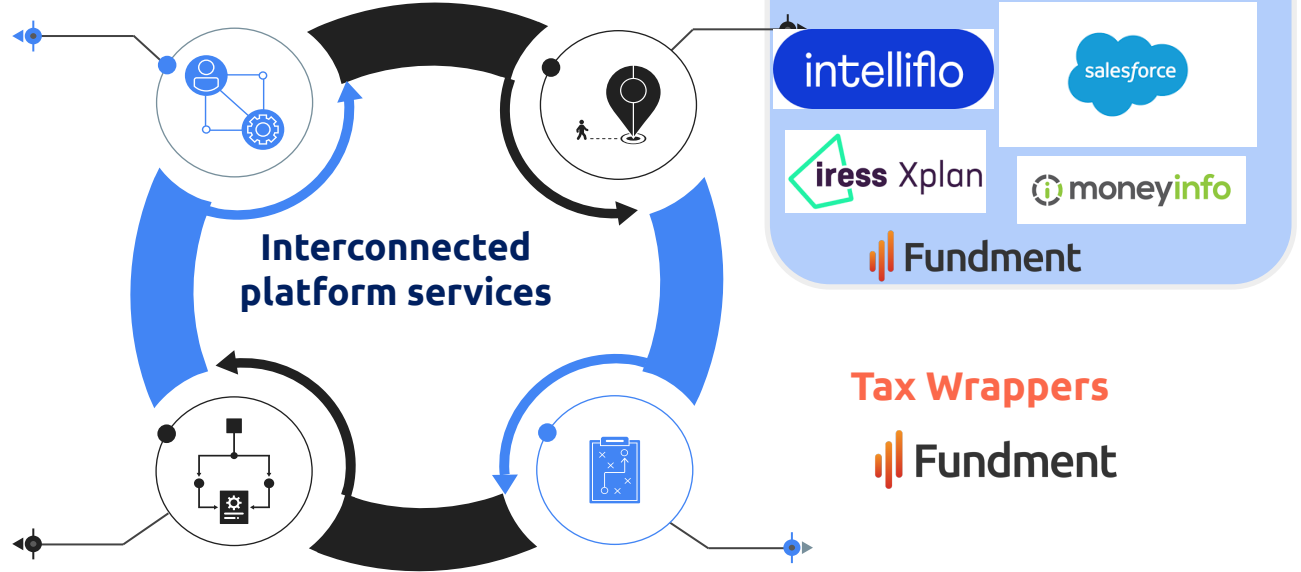


Our approach at Fundment

Custody & Trading



Payments & Software

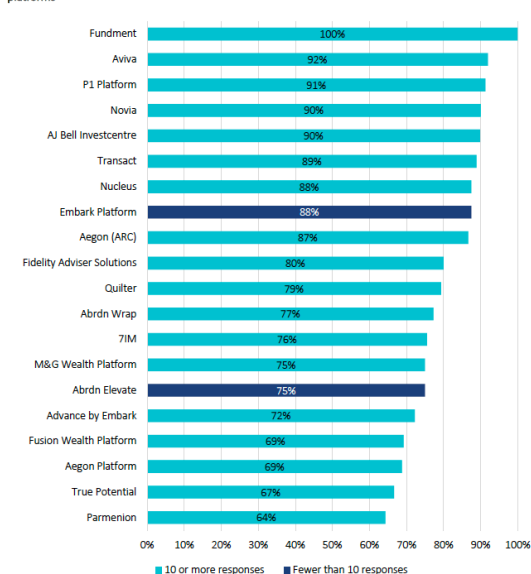


Tax Wrappers



...and we are gaining fans and strong advocates across the industry

Figure 18: Proportion of platforms' adviser users topping up/ transferring assets into primary/secondary platforms

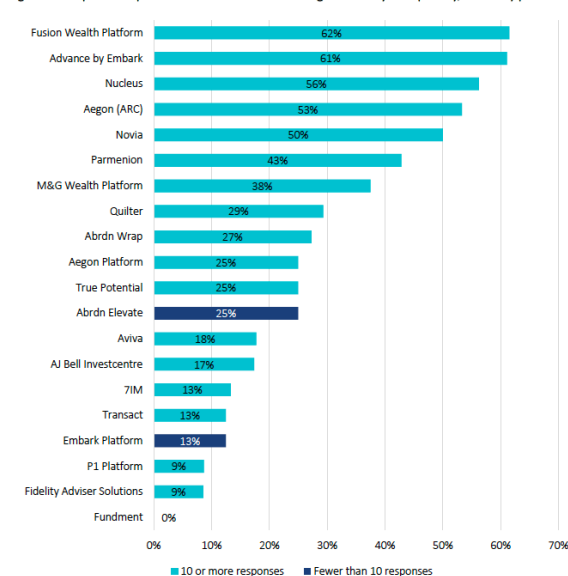


Source: Platform, February 2023

On which of the platforms that you currently use have you done the following, in the last 12 months? Topped up/ transferred in assets of an existing client

Base: 308 advisers (Results only shown for platforms where we have over five responses.)

Figure 19: Proportion of platforms' adviser users transferring assets away from primary/secondary platforms



Source: Platform, February 2023

On which of the platforms that you currently use have you done the following, in the last 12 months? Transferred away assets from any client to another platform

Base: 308 advisers (Results only shown for platforms where we have over five responses.)

PLATFORM AND PROVIDER USAGE

	% who use	Used as primary	Used as secondary	Hold legacy
Transact	53%	43%	37%	20%
AJ Bell Investcentre	50%	24%	53%	23%
Quilter	49%	26%	26%	48%
Aviva Platform	44%	23%	42%	35%
Fidelity Adviser Solutions	41%	13%	32%	55%
The Aegon Platform	34%	10%	10%	80%
Royal London	33%	20%	45%	34%
Aegon Retirement Choices	32%	7%	20%	73%
abrdn wrap	28%	39%	17%	44%
abrdn Elevate	26%	19%	22%	59%
Prudential	22%	9%	47%	45%
Scottish Widows	22%	2%	29%	69%
Embark Platform	20%	4%	12%	85%
Advance by Embark	18%	25%	10%	65%
Nucleus	17%	38%	40%	22%
Parmenion	16%	9%	49%	42%
James Hay Modular Plan	16%	2%	17%	81%
Novia	15%	23%	20%	56%
Seven IM	15%	13%	50%	38%
Canada Life	13%	3%	49%	48%
M & G Wealth	13%	20%	31%	49%
Fundment	12%	34%	53%	13%
True Potential	12%	35%	16%	48%
LV=	9%	13%	33%	54%
Morningstar Wealth	7%	50%	28%	22%
Wealthtime	5%	29%	43%	29%
Fusion Wealth	5%	42%	17%	42%

Source: Lang Cat, State of the Adviser Nation, 2022 report

Adviser software ecosystem



Source: ftrc, May 2022

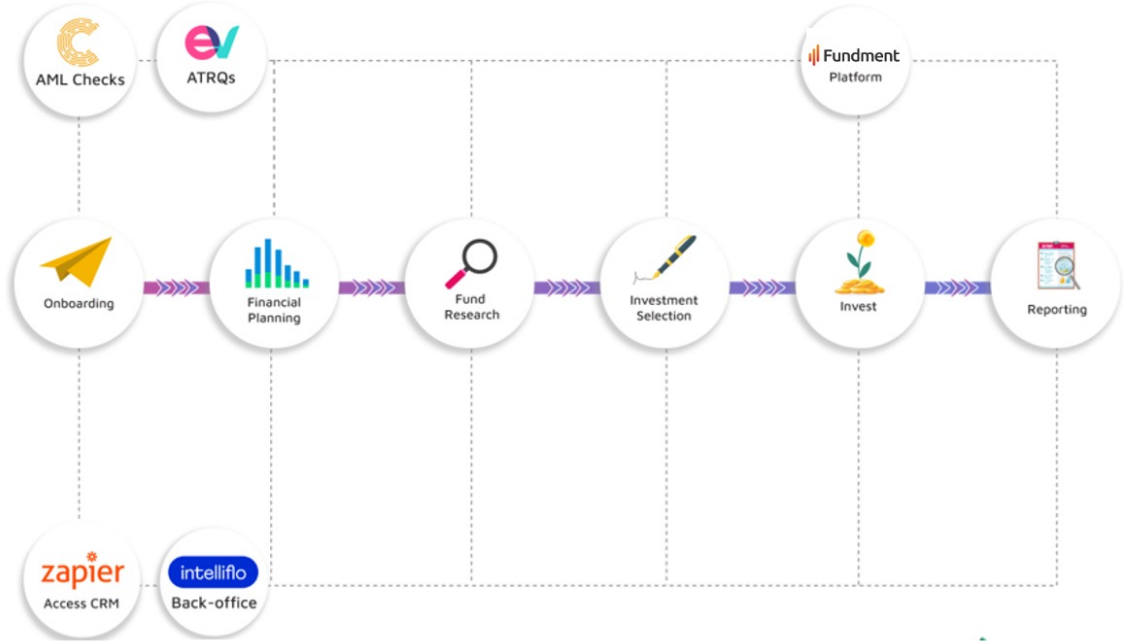
Platform of the future?



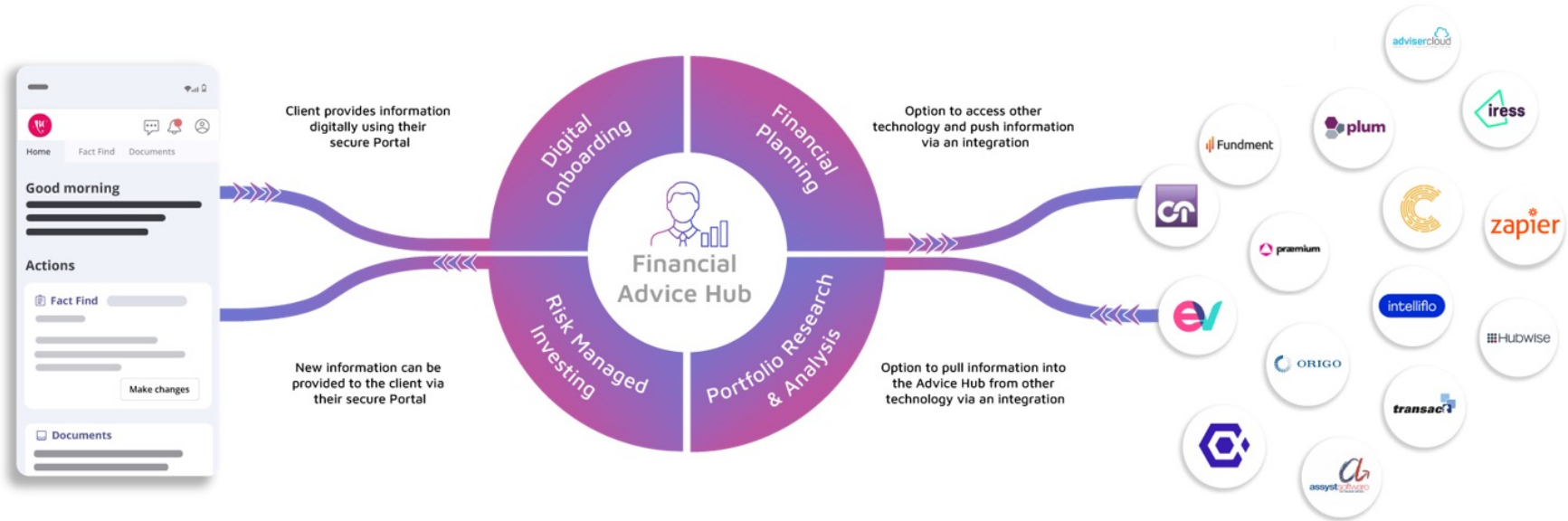
Client facing
integrations

Financial
planning
& research,
e.g. FE tools

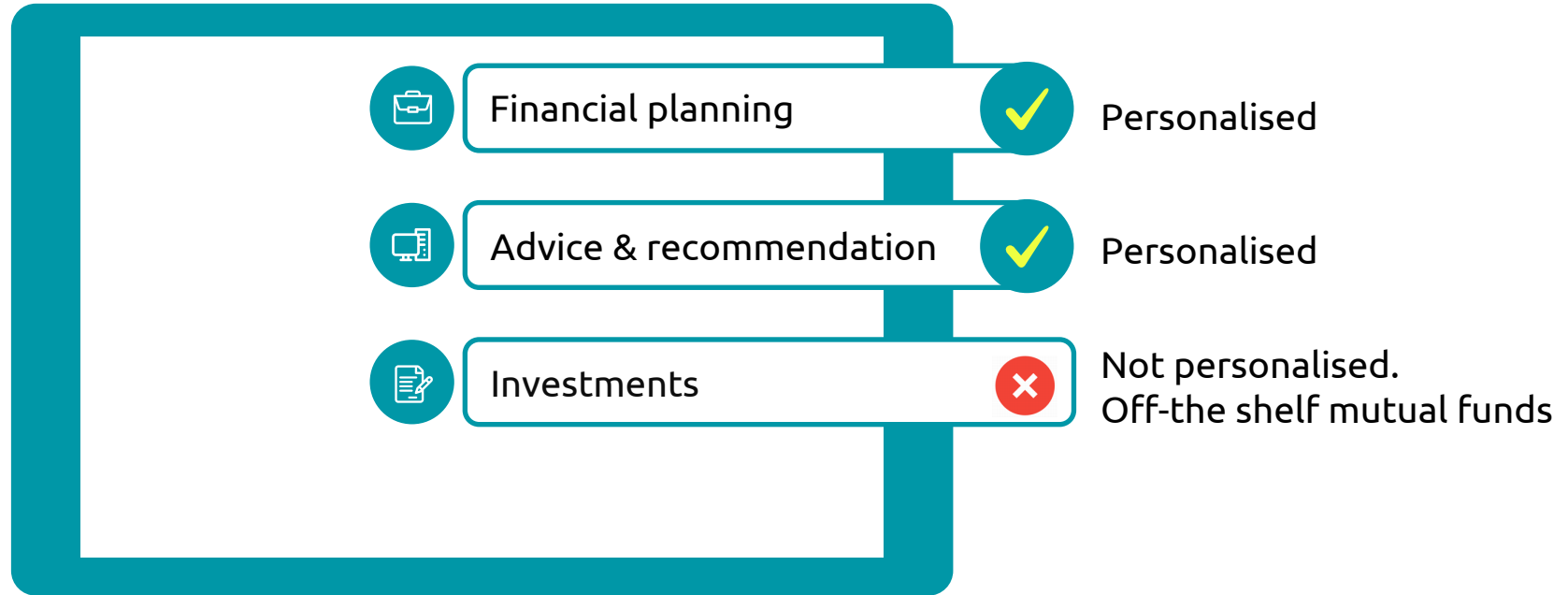
Behind the
scene
integrations



We can eliminate all the double keying



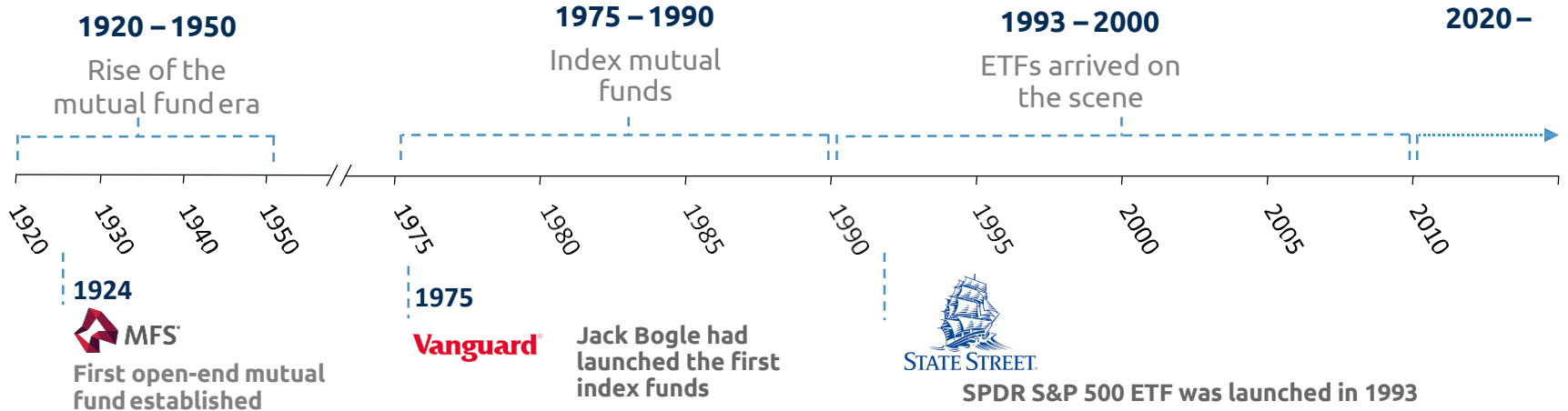
The financial planning proposition



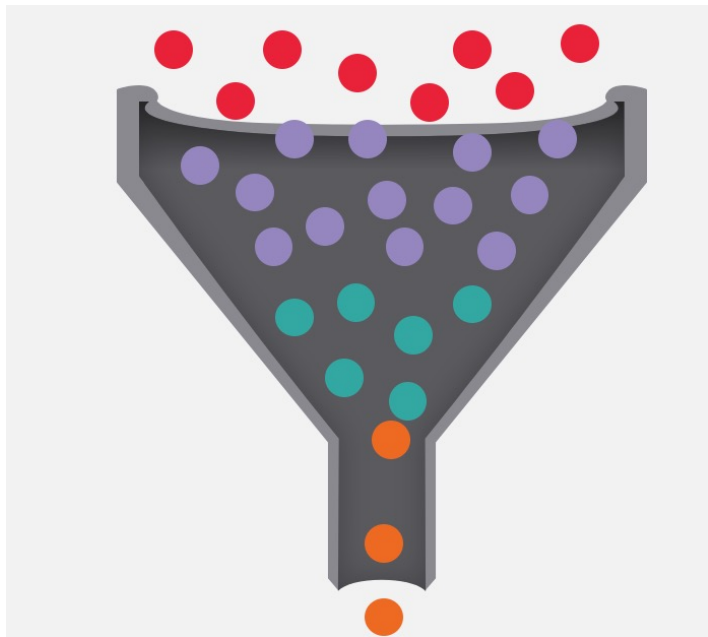
Let's talk about mutual funds

Key themes from 2000's:

- Transaction costs much lower
- Technology breakthrough on several fronts



Custom indexing now live on Fundment!



Broad market index, e.g. US equities, UK equities.



Customise for preferences, e.g. Dividend, ESG, Impact, etc



Review the performance and docs. Save the index and assign to clients or to model portfolios.



Execution & index rebalancing on auto-pilot

Custom indexing – some use cases for financial planning



Dividend income



Underlying principles of the Fundment custom indexing

- 1 Open architecture and available to DFMs, advisers, asset managers and others.
- 2 Flexible and can sit along with other model portfolio building blocks.
- 3 Low minimum and cost competitive against index funds

Demo



Questions?

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