

Barclays Plan & Invest Other important things you need to know



Why it's important to read this document

In this document we give a detailed explanation of how Plan & Invest works and how we'll manage your investments. We also outline the main investment risks you need to be aware of when you're deciding if investing, and this service, is right for you.

What is Plan & Invest?	2
How does Plan & Invest work?	2
How your money will be invested	4
There are two main types of funds	4
How we'll manage your investments	4
Understanding Investment Risk	6
How we're regulated	7
Best execution policy	8

What is Plan & Invest?

Plan & Invest is a service provided by Barclays Investment Solutions Limited, and it's designed to be used online but with support from our team over the phone if you need it. It's intended for people who are happy to proceed without speaking to an investment adviser and who have at least £5,000 they're willing to invest for the long-term (five years or more).

How does Plan & Invest work?



Step 1: Plan

You'll go through a detailed planning stage online to help us create your personalised Investment Plan but if you have any questions about the process our team are just a phone call away.

- Tell us why you want to start investing and set a specific goal, if you have one
- We'll use everything you tell us about yourself to work out if investing is right for you, how much you can afford to invest straight away and how much you can afford on a regular basis
- Drawing on our years of investing experience, we'll create a personalised Investment Plan for you based on your unique circumstances
- Your Plan will contain a proposed investment strategy that we believe is the best way we can help you achieve your goal
- We'll ensure you're investing in an efficient way by using an ISA when possible, to make the most of your ISA savings allowance

To do this, we'll ask you a series of questions about:

- Your goal
- Your finances
- How you feel about taking risk
- What you already know about investing
- Whether you've used your ISA savings allowance

Step 2: Invest

Once you have your Investment Plan and are happy to proceed, we'll set up the accounts you need to start investing.

How it works once you're set up

- We'll make the initial investments we set out in your Investment Plan on your behalf
- Our team of investment managers will then constantly monitor the performance of your investments and make any adjustments they think are necessary
- By making the 'buy and sell' decisions on your behalf, our team do the hard work for you. This does mean you won't be able to make any changes to your investments yourself but you can withdraw your money at any time
- You can make regular monthly or one-off payments from as little as £100
- You'll be able to see how well your investments are tracking against your goal in your Plan & Invest Hub in Online Banking or via the Barclays app

Step 3: On-going planning

- Once you're invested, we need to regularly make sure your Investment Plan is right for you and will ask you to repeat the planning steps outlined above. We'll do this at least once every 12 months from the date of your last Investment Plan
- Alternatively, if you want to change something about your goal or tell us about any changes in your circumstances, you can also get in touch at any time to update your information through your Plan & Invest Hub in Online Banking and the Barclays app
- Whenever we update your personalised Investment Plan, we'll always ask your permission before we implement it

How your money will be invested

Your money will be invested into a range of different funds. The combination of funds we select will match the investment strategy that's right for you. The funds will themselves invest in a range of different industries, geographic regions and types of investments such as shares or bonds.

It's important to have a range of investments so that, if one or more of the investment types you hold fall in value, the overall value of your account(s) is safeguarded to some extent by the other types of investments you hold maintaining or increasing in value.

There are two main types of funds we use and we may invest in a mixture of both for you

Regulated investment funds

Regulated investment funds are professionally managed by a fund manager and regulated. The fund manager pools your money with other investors' money to buy or sell the underlying investments held by the fund.

The value of the fund reflects the value of the underlying investments; as their values rise or fall, the value of the fund will rise or fall.

The overall size of the fund will grow or shrink as investors buy and sell.

Exchange traded funds (ETFs)

ETFs are listed regulated investment funds where the fund manager makes investment decisions typically to replicate the returns of a specific market index as much as possible.

ETFs are also bought and sold like shares on a stock exchange so their price can change throughout the day.

How we'll manage your investments

By using Plan & Invest, you'll benefit from the expertise of our specialists in investment management, behavioural finance, economics and market research.

To provide you with the best service we can, we'll manage your investments using the following approach

We take a long-term view of the markets

- Our senior investment professionals will select the most appropriate mix of investments to help you meet your long-term goal.

We select what we believe to be the best fund managers in the world

- Our analysts focus on identifying the most talented fund managers around the world
- We access them through their own funds or indirectly through our own funds when appropriate
- Whenever we use a Barclays fund, the fund management costs you'll pay are used to pay those third party managers as well as Barclays for selecting and monitoring them
- We monitor these fund managers on an on-going basis and make changes whenever we need to.

We'll invest in a mixture of passively and actively managed funds

- We'll use active management wherever we believe it will generate additional returns without changing the level of risk that's appropriate for you over the long-term
- Active managers rely on analytical research, forecasts, and their own judgment and experience to make investment decisions
- Passive managers seek to mirror a market index – an index is a tool used by investors to describe a particular market or mix of companies. They're usually constructed by selecting a list of companies based upon overall value and then weighting them according to their relative sizes. A common example of an index is the FTSE 100 in the UK

We'll manage the risk of your investments for you

- Our experts regularly monitor your Plan & Invest Accounts to make sure you're always invested in a way that's right for your personal circumstances. They may also make occasional adjustments to the mix of your investments to take advantage of any market opportunities that arise
- If you're new to investing, we'll start you off at a lower level of risk in the early years
- As you approach the target date for when you want to use the money generated by your investments, when necessary, we'll adjust your mix of investments. This is intended to give you greater confidence that the money you saved won't suffer significant losses right when you need it.
- If your goal is just to invest we'll simply manage your investments based on the level of risk we believe is right for you

Understanding Investment Risk

Although our investment experts will manage your investments on your behalf, it's still important that you understand whenever you invest your money, unlike when you hold cash savings, that the value of your investments can go down as well as up, and you may get back less than you invest.

One of the important principles for long-term investors to appreciate is the relationship between risk and return. Different types of investments have different amounts of risk and, typically, greater risk is associated with greater long-term returns.

There are specific types of risk that we need to make you aware of:

Emerging Market, Political and Economic Risk

When a regulated investment fund or ETF invests in emerging markets or areas with political or economic issues, the risk to its performance could be higher than in a traditionally stable market.

Market Risk

Market risks affect the overall performance of a market at the same time and can be caused by things like political turmoil, interest rate changes or natural disasters.

Concentration Risk

Regulated investment funds or ETFs that provide exposure to only one product, market or country, may be more volatile relative to funds which aim to invest across a number of different products, markets and countries.

Sector and Liquidity Risk

In some circumstances, you may not be able to sell your investments when you want to. This can happen in funds that own assets that are not easily converted into cash (illiquid) or where there is a large disparity between the number of people who want to buy and sell the fund leading the fund manager to suspend redemptions. In addition, funds which invest in a single sector, product or market may be difficult to value if there are no readily available buyers for those investments.

Counterparty Risk

Regulated investment funds and ETFs may have an exposure to third-party counterparties. If the counterparty defaults, the fund or ETF may experience a decline in value and a loss of income.

Foreign Exchange Risk

If the regulated investment fund or ETF holds investments in a different currency to the denominated currency of the product, the returns of the product may will be impacted by fluctuations in the exchange rate.

How we're regulated

We're authorised and regulated by the Financial Conduct Authority (FCA) and covered by the Financial Services Compensation Scheme (FSCS). Therefore you can receive up to a maximum of £85,000 if we experience financial difficulties and we cannot pay a claim you make against us.

Best execution policy

Introduction

When providing you with Plan & Invest, Barclays Investment Solutions Limited executes orders in securities, including Exchange Traded Funds (ETFs) and interests in regulated investment funds such as Collective Investment in Transferable Securities (UCITS). Best execution is the requirement to take all sufficient steps to obtain the best possible result for you taking into account various execution factors relevant to the order.

We will apply our best execution standards to all of your orders. Responsibility for best execution applies not only to ourselves but also to other entities with whom we interact with on orders. When we place or transmit your orders (rather than executing them ourselves), we will act in accordance with your best interests and ensure that the entities with which we place or transmit your order have execution arrangements that enable us to obtain the best possible result for you.

Orders in regulated investment funds such as UCITS

Shares or units in these funds can usually only be transacted with the fund operators. We will usually place transactions directly with the fund operator at a time of our choosing, however if you instruct us to liquidate all or part of your portfolio we will attempt to place such transactions at the next available dealing point. We can only achieve this if such instructions are received in good time, and we may operate a dealing cut-off point beyond which all transactions will be placed for execution on the next available dealing day. Bearing in mind the availability of cleared cash in your portfolio.

Orders in securities such as ETFs

In some cases, regulated investment funds are listed on trading venues, and are traded by buyers and sellers other than the fund operator through those 'execution venues'. Securities of this type are known as 'Exchange Traded Funds' or 'ETF's'.

Executing orders through execution venues involves a more detailed assessment of best execution. We must determine the best way of executing such an order, to give us the opportunity to obtain the best total consideration for you. Total consideration is the price of the relevant financial instrument, plus the costs related to execution, including all expenses incurred by you which are directly related to the order such as execution, clearing and settlement fees and any other fees paid to entities involved in the order (express costs) and implicit costs such as market impact.

A range of execution factors may be relevant to delivering the best total consideration to you when we execute a transaction for you. In some cases, we may need to consider the following factors in determining how to execute a transaction for you

- (i) speed of execution
- (ii) likelihood of execution and settlement
- (iii) size and nature of order
- (iv) market impact, and
- (v) any other implicit transaction costs

In coming to our determination, we will consider the type of financial instrument that is the subject of the order, the type of order and its specific characteristics, such as the size of the order and liquidity, as well as the execution venues to which the order could be directed.

Please note that we do not accept instructions to direct your orders to specific counterparties or venues because this may result in a failure to meet best execution requirements.

How we analyse the quality of execution and verify the best possible results are obtained.

Order execution is monitored pre and post trade on an ongoing basis and is subject to regular sampling, testing and evidencing against best execution criteria to ensure the best possible result is obtained for you. We ensure that we select appropriate thresholds that determine the quality of execution that should be achieved and employ the use of third party tools such as market data vendors in order to verify the level of execution quality.

Our typical dealing arrangements for ETFs

For standard UK market orders, and in normal market conditions, we may poll different execution venues, using automatic execution technology to identify the best terms available to us at the point of trading for the equity concerned.

UK securities such as ETF's are largely executed via a Retail Service Provider (RSP). An RSP is a counterparty which is typically a London Stock Exchange (LSE) member firm which provides price quotes based on the price available on the LSE's order books. The model has a highly automated price polling mechanism across a panel of RSPs to determine the best terms available at the point of execution. In order to maximise the effectiveness of the price discovery process where applicable we also utilise the proprietary trading technology of Barclays Investment Bank for cross trading venue price discovery (including use of Multilateral Trading Facilities or 'MTF's').

Where orders cannot execute automatically (typically due to large value or low liquidity) a manual price discovery model is used leveraging market data feeds and approved counterparty relationships which leads to execution with the counterparty who offer the most competitive terms available (see below). There is typically no execution fee levied by the counterparties due to the fact that execution is predominantly conducted by us as an LSE member firm for you.

The execution venues that we use

We may execute orders through a range of execution venues, including the London Stock Exchange (a regulated market), through a range of MTF's (privately operated regulated exchanges) and with counterparties such as other firms that deal in the relevant investments. This includes the possibility of executing transactions outside of a regulated trading venue.

Reporting on our execution quality

Each year we publish information about the top 5 execution venues we use to execute orders as well as the top 5 counterparties we use to execute orders for you. These show the volume of transactions over the preceding year, together with information on the quality of execution obtained.

The report is available via this link

barclays.co.uk/wealth-management/important-information/terms-and-conditions

UK market counterparties

Our current approved UK counterparty panel relevant to the Plan & Invest service is set out below; there may be changes to the panel from time to time. Our execution policy enables us to trade ETF's either through a Regulated Market, through an MTF or directly outside of such an execution venue with a counterparty that is on our panel at that time.

Barclays Investment Bank	Jane Street	Singer Capital Markets
Credit Suisse	Morgan Stanley	Stifel Nicolaus Europe Limited
Flow Traders	Peel Hunt LLP	Susquehanna International Group LLP
Instinet	RBC	Virtu
Investec	Shore Capital	Winterflood Securities

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