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For Immediate Release

Novia Financial teams up with ARC to offer unique integrated performance analysis comparator tool

Novia Financial is today pleased to announce the launch of The Portfolio Peer Review (PPR) tool available on all Novia wrappers linked to a DFM model. This integrated service, powered by Asset Risk Consultants (ARC) which is free for an initial trial period is the first of its kind offering a truly independent analysis of the performance characteristics of a portfolio, compared to its peer group. The PPR tool uses risk adjusted returns to support Advisers in offering clear, fair and not misleading portfolio performance reporting ahead of the increased regulatory scrutiny on how client investment experience is reported and benchmarked.

This new PPR tool available via Novia "Report Zone" offers a snapshot of an investment portfolio, designed to place returns achieved into the context of other, similar portfolios. The history of the portfolio's returns is calculated along with how much the portfolio is worth and any asset allocation details. The portfolio is then compared against others in the peer group from a sample of more than 100,000 managed by over 60 professional investment management firms/DFMs.

The performance reporting has at its core the unique "Private Client Indices" ("PCI") peer group of real portfolio data. PCI is a leading set of industry benchmarks designed by ARC that allows investors to compare their investment performance to other, professionally managed portfolios. ARC use over 100,000 portfolios from 80 investment managers across 5 major currencies to construct these Indices.

ARC are an independent investment consultancy and provide research and performance reporting to private clients, charities, family offices, IFAs, professional trustees and Advisers. ARC focuses on the collection of both quantitative and qualitative data from investment managers.

Paul Boston, Sales Director at Novia said: "Understanding how a portfolio has performed versus an appropriate peer group is essential to ensure that the portfolio is delivering acceptable results. The introduction of PPR will better enable Advisers to conduct required research and compliance checks and carry out the on-going monitoring of client portfolios. With both the FCA guidance and the MiFID II requirements putting greater emphasis on suitability and on-going monitoring, this tool will help to ensure that the

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investment service selected continues to meet the client's suitability requirements as well as their on-going investment objectives."

Dan Hurdley, Director of Research at ARC said: "We are delighted to be partnering with Novia, a leading DFM proposition offering over 70 mandates on the platform. This exciting initiative will bring greater transparency to DFM performance, giving Advisers clarity on the actual outcomes they are delivering to their clients."

Mickey Morrissey at Smith and Williamson said: "This is an excellent initiative from both ARC and Novia Financial. An independent analysis of the performance characteristics of portfolios is long overdue in the industry and I am sure the intermediary market will find this a useful tool to be able to access on behalf of their clients. "

Key benefits of the PPR tool include

- Portfolio Performance displayed in peer group context
- Absolute and risk adjusted performance with easy to understand indicators
- Independent, client friendly standard template
- Evidence of standardised and structured monitoring of clients portfolio

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Notes to editors:

Novia Financial plc launched to market in October 2008 to provide a comprehensive wealth management service or 'full wrap platform' for investment Advisers and their clients and now has approximately £5.6bn worth of assets under administration. Novia provides a transparent pricing structure as well as access to a wide range of product wrappers, an all-encompassing suite of portfolio management tools, and access to an extensive range of investments including direct equities, traditional authorised funds both onshore and offshore, exchange traded products such as ETFs and ETCs, alternative investments such as hedge funds as well as Cash Deposits, Structured Products and an integral Cash Facility.

The core operating system is provided by Australian-based GBST that has been developing software solutions for fund administration and financial services since 1996, and for wrap solutions since 1999. GBST include more than 60 of the world's leading banks, stockbrokers and fund managers on its systems. In 2015, it reported a 16% increase in revenue to AU\$114.3 million and an EBITDA improvement of 20% to AU\$24.5 million. The comprehensive suite of portfolio management tools is powered by Financial Express that also provides the data for the platform.

The Novia team, based in Bath, is led by Bill Vasilieff - joint cofounder of Selestia. Novia, as an independent proposition, has substantial financial backing from a combination of private individuals and corporate organisations. The board is chaired by Sir Anthony Cleaver (former Chairman and Chief Executive of IBM in the UK). Other members include John Beaumont, non executive, who has held a number of non executive roles in major public organisations and several technology startups, David Royds (non executive and investor) Ex-Chairman of Matrix group, Bill Vasilieff, Novia's CEO, and Paul Parry, Novia's CFO. Novia Financial plc is authorised and regulated by the Financial Conduct Authority (Reg. No. 481600).