CR & Cie.

CHAMBERVELT ROOSELAIN & Cie. Ltd.

Our investment philosophy – HOW we help YOU to achieve your investment goals

"***Nobody cares how much you know before they know how much you care***" (Theodore Roosevelt).

This has been the motto for our advice for many years now and guides us in serving our clients with insurance advice, pension planning and investment advice alike. We offer holistic financial advice that incorporates all important needs.

As your investment advisor, you expect us to KNOW. We should know about markets and about how to invest your money in the best possible way. That should indeed always be a given. However, our approach to being your investment advisor goes further than this: because we CARE about you and your future, we have the following sound principles ingrained into our advice:

- **We want to help you save time** – by ensuring that investing money does not also mean having to invest large amounts of time in years to come. Spending sufficient time at the beginning in order to develop a solid long-term investment strategy together with us saves you a lot of time in the future. Therefore, together we will work out an investment strategy for the future that you can stick with. Only if your life situation or your goals change significantly does the strategy need reassessment.

- **We want to help you save money** – by developing an investment strategy for you that is based on looking to reduce investment costs significantly – which will lead to higher returns in the end.

- **We want to help you save yourself worries** – by working out an investment strategy for you that fits exactly to your needs, your goals and your affinity or adversity to risk. Because the best-performing investment is for naught if, you wake up every night in a sweat because the risks involved just do not fit to you. A good investment strategy should be transparent and easy to understand.

How does this play out in our investment philosophy?

1. "***If you can't beat them, join them!***"
   Many investors and even more investment fund managers and advisors believe they can beat the market. Just like 80% of car drivers believe that they are "above average" in driving a car safely in normal traffic. The statistics for car drivers obviously do not add up – and nor do the statistics for investment fund managers or investment advisors substantiate their claim that any one of them is able to beat the market for very long. The odd lucky shot notwithstanding, an unbiased analysis of stock market performances over the past decades

vs. the performance of the fund managers and investment advisors shows that the markets clearly outperform the attempts of the single individual to beat the markets.

The old proverb therefore holds a lot of truth in it: if you can't beat the markets, join them. Invest in such a way that your investment broadly mirrors the markets. Passive investments do just that – and at far lower costs than managed/active investments.

Consequently, our investment philosophy is built on the strong belief that using passive investments with a scientific approach and under the exclusion of "stock-picking" is the better strategy for our clients to generate solid returns at low costs to themselves.

2. "***Money saved is as good as money gained!***"

   Actively managed investments and other forms of investment that promise to beat the markets come at high costs: upfront costs for signing up, ongoing management fees, performance fees and so on and so forth. Amazingly, the majority of investors constantly make less profit than the markets: the so-called behavior gap.

   This is due to the fact that, as explained above, actively managed funds do NOT beat the markets – not in the long run, anyway. Nevertheless, they cost more than passive investments because the managers want to get paid for the better performance they promise you. Thus many investors end up with actively managed investments that perform below the benchmark/index while paying higher fees and commissions than in passive investments.

   Consequently, our investment philosophy is built on the belief that we need to assist you in protecting your money. And the first line of defense we need to help you build is to prevent unnecessary costs from diminishing your current and future gains. Every euro in costs saved now will be as large as a wagon wheel in 25 or 30 years' time upon retirement due to the healthy compound interest effect. By helping you cut costs on your investments already, we can also help you get more out of your investments in the future.

3. "***Don't put all your eggs in one basket"***

   Yet another proverb that holds true. Diversification of your investments into different asset classes AND all around the world is THE key to diminishing losses from a sharp downturn in one particular market or country. It helps you to add more stability to your investment portfolio over time and thus to reduce costs and worries alike.

   Investors in the US consider investments in US stocks to be relatively safe and investments in European stocks as much riskier. Investors in Germany think exactly the opposite. Because both trust in what they know best and are wary of what they do not know so well. Both are wrong. In order to avoid national or sectoral bias, we assist you in building up an investment strategy that is widely diversified. While no investment strategy can totally eliminate temporary losses when investing in the markets, worldwide diversification makes your investment portfolio more immune to national or sectoral downturns.

Consequently, we assist you in setting up investments that deploy your capital throughout the stocks and shares as well as bonds around the world. We help you take part in the success of more than 7,500 companies, large and small, around the world, whose shares are publicly traded.

4. "***Time in the market is more important than timing the market***"

   The best method to underachieve as an investor is to move in and out of certain investments and markets again and again. By doing so, you add unnecessary stress and costs to your investment strategy, and most likely are going to miss the best days on the markets which often create the largest profits for investors in a year or even a decade.

   Consequently, we will develop with you a long-term strategy that is based on sticking to your investments in good times and bad. Because only by doing so will you ultimately achieve the highest possible gains in passive investing and thus reduce costs and worries for now and in the future. With the right diversification and asset allocation, we will already have reduced volatility in your investment strategy, simultaneously reducing your worries. By staying the course in all kinds of weather, we help you to steer your investment boat true and calm through ever-changing seas.

5. "***If you aim at nothing, you will hit it every time!***"

   When we start working together to develop your ideal, custom-tailored investment strategy that reduces costs and stress while achieving constant market yields, we will need to discuss at length where you come from and where you want to go.

   A good investment strategy has to fit your personality. Some people like more risk in their investments, others don't. There is no right or wrong here – but it can be extremely wrong for you if it is not the right investment for you.

   Any investment has to aim at clear goals to allow the right assets to be defined for the selection of your investment portfolio. These can be medium-term or long-term goals alike. We need to talk about them, identify them clearly and match your investment selection accordingly.

   Consequently, we shall help you to set realistic long-term investment objectives that fit both to your personality and your life goals and that are realistic in the capital markets. Because *if you don't know where you are going, you will probably end up somewhere else.*

Vision without action is a daydream. Action without vision is a nightmare.

Our investment philosophy is to help you escape the world of investment dreams, good and bad – and turn your investments into a long-term profitable reality instead.