

Atlantic House Investments Limited  
Discretionary investment Management Service

# Albemarle Street Partners

Fair Price and Value Assessment April 2025

- » Aspim Growth
- » Aspim Index
- » Aspim ESG



# Contents

|                                             |    |
|---------------------------------------------|----|
| Executive Summary and Conclusion.....       | 3  |
| Atlantic House Overview.....                | 3  |
| Consumer Duty Overview.....                 | 3  |
| FAIR PRICE AND VALUE ASSESSMENT REVIEW..... | 4  |
| Cross cutting Rules.....                    | 4  |
| Albemarle Street Partners Services.....     | 5  |
| Identifying Outcomes.....                   | 5  |
| Monitoring                                  |    |
| ASPIM Growth Portfolios.....                | 7  |
| ASPIM Index Portfolios.....                 | 13 |
| ASPIM ESG Portfolios.....                   | 19 |
| Summary of outcomes.....                    | 25 |



## Executive Summary and Conclusion

### Objective

The review of Albemarle Street Partners, the discretionary fund management service provided by Atlantic House Investments Limited (AHI) was undertaken by Compliance and its Senior Managers and was based on the cross-cutting rules, the four consumer outcomes, and the services it provides together with its charges to assess whether consumers receive fair value. This review assesses the ASPIM Growth, ASPIM Index and ASPIM ESG portfolio ranges. Value assessments for other specific portfolios offered to particular clients are provided to financial advisers using these portfolios.

The review completed below has determined that the Albemarle service has acted in good faith, avoids causing foreseeable client harm, and enables support for its clients and ultimately the end retail customers to pursue their financial objectives and therefore meets the cross-cutting rules.

AHI has also determined that the four Consumer Duty outcomes, (i) the governance of products and services, (ii) price and value, (iii) consumer understanding and (iv) consumer support, are met.

The next review will be undertaken again in March 2026.

## Atlantic House Investments Overview

Atlantic House Investments is a wholly owned subsidiary of Atlantic House Group Limited, which also operates the discretionary investment management service Albemarle Street Partners. We have an AUM of c.£3.9bn (as of 31st January 2025).

Atlantic House Group was originally formed as Catley Lakeman May LLP by Russell Catley, Andrew Lakeman and Tom May in 2008.

In response to a growing number of client requests, Atlantic House Group launched Atlantic House's fund management arm, Atlantic House Fund Management LLP in 2012, with the business transitioning to Atlantic House Investments Limited in 2021.

Atlantic House Investments Limited has been offering discretionary fund management services to professional advisers operating on platforms on an agent as client basis since 2019 when it acquired Albemarle Street Partners. It manages over £900 million on a wide variety of platforms.

## Consumer Duty Overview

The Consumer Duty is made up of an overarching consumer principle (Principle 12) that replaces Principles 6 and 7 where the Duty applies, and which requires firms to act to deliver good outcomes (relating to products and services being fit for purpose, price, and value, consumer understanding and consumer support) for retail customers, and the new rules firms will have to follow.

The cross cutting rules require firms to:

- » Act in good faith,
- » Avoid causing foreseeable harm, and
- » Enable and support retail customers to pursue their financial objectives

The 'four outcomes' which are a suite of rules and guidance setting more detailed expectations for firm conduct in four areas that represent key elements of the firm-consumer relationship:

- » The governance of products and services
- » Price and value
- » Consumer understanding, and
- » Consumer support

The Consumer Duty will apply to all firms in the distribution chain (manufacturers and distributors) for products and services sold to customers (retail clients), including certain small and medium enterprises (SMEs), where those firms can influence material aspects of the design, target market or performance of a retail financial services product or



service, even where they have no direct relationship with the retail customer.

All firms subject to the Consumer Duty must act to deliver good outcomes to customers and comply with the cross-cutting rules. Each has a role to help avoid causing foreseeable harm and ensure that the final product and associated support will help the customer realise their financial objectives. Each firm must act in good faith in its design and operation of the relevant products and services and in any interactions with the customer.

Depending on their role, some or all of the four outcomes will also be relevant for example, the fund/asset manager must develop a fund to meet the needs, characteristics and objectives of a target market of customers. It must develop an appropriate distribution strategy and set charges to provide fair value to customers. The firm must also communicate in a way that customers can understand and offer appropriate customer support standards.

All consumers should receive 'fair value' for the services they receive to ensure all products and services offered are fit for purpose and represent fair value for consumers.

Therefore, AHI will undertake an annual value assessment for its discretionary fund management service which will demonstrate why it considers the relationship between price and benefits are reasonable.

## **FAIR PRICE AND VALUE ASSESSMENT REVIEW**

### **Cross cutting rules**

The assessment of these rules applies to the Albemarle Street Partners service.

### **Act in good faith**

The AHI standard of conduct is characterised by honesty, fair and open dealing and acting consistently with the reasonable expectations of its clients.

This is achieved by having strong leadership with a 'practice what we preach' culture from the top down.

### **Avoid causing foreseeable harm**

Atlantic House Investments has a good governance culture supported by several Committees with Non-Executive Directors as members.

The Committees, Executive and Senior Management team are responsible for:

- » Ensuring that all aspects of the design, terms, marketing, sale of, and support for its products avoid causing foreseeable harm.
- » Ensuring that no aspect of its business involves unfairly exploiting the customer's behavioural biases or vulnerabilities.
- » Identifying the potential for harm that might arise if it withdraws a product.
- » Responding to emerging trends that identify new sources of harm, including FCA supervisory action and/or communications, e.g. Dear CEO letters; and
- » Taking appropriate action to mitigate the risk of actual or foreseeable harm, e.g. updating or amending the product design or distribution strategy.

### **Enable and support retail customers to pursue their financial objectives**

AHI designs the ASPIM portfolios to meet the needs of Retail, Professional and Institutional clients' financial objectives. This then enables the Professional Advisers via Platforms, to access the funds as part of their wealth planning services to Retail clients.

We provide a user-friendly website and customer support via the 'contact us' telephone number where calls are diverted to the correct department/person or via a dedicated email address to enable continuous client support.



## Albemarle Street Partners Services

Albemarle Street Partners assesses the fundamental value of its range of model portfolio services with the experience of the underlying client in mind.

### Who our clients are

#### Our model portfolio services are suitable for:

- » Clients with a long-term investment objective of at least five years and an average investment time horizon of 10-15 years.
- » Those defined as Retail Clients / Professional Clients / Eligible Counterparties.
- » Clients of financial advisers regulated by the FCA. They will have a financial plan with their financial adviser, including a detailed risk assessment. It is the adviser's responsibility to ensure that every client invested in our model portfolios has an appropriate understanding of our services.
- » Clients whose assets sit on an investment platform.

#### Our model portfolio services are not suitable for:

- » Any investor who is not able to bear any capital loss.
- » Any investor who has an investment time horizon of less than five years.
- » Any investor who wishes to enter into an 'execution only' arrangement for their investments.
- » An investor who wishes to influence the composition of their portfolio on a 'bespoke' basis
- » Any investor who wishes to work without a financial adviser.
- » Any investor who does not wish to hold their money on platform.

Each of our portfolios has a clearly defined target market specific to that portfolio which is provided to all our financial adviser clients prior to their placing business with us. This is updated each year when it is tested against scenarios that could pose foreseeable harm to clients.

### Identifying outcomes

We seek to identify clear customer outcomes for each of our portfolios in the form of estimated returns that over the long-term (defined as a 15-year investment time horizon) can enable investors to meet the financial goals they set with their financial advisers.

We analyse the returns that can be estimated each year based on our strategic asset allocation process. These estimated returns are based on the returns of particular mixes of asset classes over the long-term when constrained by a defined level of volatility. We use this data to establish whether portfolios are delivering value for money in their fundamental design. We deem portfolios to be delivering fair value if the overall cost of the portfolio does not absorb more than 15% of the estimated returns of portfolios. Our yardstick in reaching this constraint was an analysis of whether investors who are taking even relatively low levels of risk are able to achieve returns over and above the long-term Bank of England target for inflation once costs and charges have been borne. We have found the 15% level works effectively in alerting us to portfolios that may not be appropriate because of either high charges or low estimated returns.

This at a fundamental level establishes the returns clients can hope to achieve for the level of risk that they have agreed to take on the advice of their financial adviser. We then appraise our actual performance against the performance of relative benchmarks and the wider peer group to determine whether the client's lived experience is aligning with expectations.

It is of course the case that over shorter time periods experienced returns will deviate, sometimes significantly, from our 15 year estimated returns during the normal ebb and flow of the stock market cycle. Therefore, over shorter time horizons, such as three years, we focus on our relative performance. Yet when arriving at a judgement about whether our portfolios are designed in such a way to support value for money, we emphasise the 15 year estimated returns we arrive at.

Crucially, these returns must not be compromised by the charges and costs associated with the portfolio and should be appropriate for the risks they bear. For example, if estimated returns were achieved after costs but the client could only expect to receive a return in line with the Bank of England's long-term target inflation rate this could represent poor value for money as other investment solutions are available to clients which can offer better protection than multi-asset portfolios for clients seeking only to keep up with long-run inflation.

Our investment process is rooted in recognising that the achievable returns will vary with market conditions. However, optimising portfolios around target estimated returns on an efficient frontier gives investors the best chance of reaching their goals. Our process seeks resilience, discipline and diversification so as not to be distracted from this core goal.



Providing portfolios which closely control volatility to client expectations also plays an important role in defining our customer outcomes. Portfolios that exhibit behaviour in line with the expectations that have been created enable investors to stay invested during market turbulence and avoid the harm of making knee-jerk decisions in market crises which can undermine lifetime stock market participation and ultimately financial outcomes. Crucially they ensure that the client's capacity for loss when appraised by their financial adviser can be properly matched to our portfolios.

In making our value assessment we also consider the service element of our proposition in arriving at our overall assessment of value as this element provides our financial adviser clients with significant benefits to ensure clients are fully informed about their investments and able to make good judgements about their appropriateness. We have worked hard to create guidance and tools that can illustrate the range of possible behaviours of our portfolios in different market conditions to support our financial adviser clients in building up consumer understanding of the investment products they own. This can lead to better long-term outcomes by building trust with expert financial advisers who can implement plans built on a strong evidence base.

The value for money assessment we make is supported by our work to ensure that the portfolios do not pose foreseeable harm to clients by exposing them to risks not commensurate with the risk descriptions and target market of the portfolios. Robust scenario analysis is undertaken regularly to monitor this.

Whilst it is important to emphasise the value of strong service ultimately our role is to deliver outcomes that are appropriate for the cost and risk attached to our products. We believe that the value delivered must be understood in the context of the overall returns an investor receives relative to the risks they are taking. Further we believe that value for money can be assessed on the following areas.

1. Charging a fee that is proportionate to the overall long-term estimated returns of portfolios established in our Strategic Asset Allocation
2. Achieving competitive returns compared to peers
3. Delivering outperformance relative to benchmarks
4. Achieving volatility consistent with the target volatility mapped to the estimated return
5. Charging a fee that is competitive with peers
6. We add further context by analysing how our returns after fees compare with comparable low-cost passive multi-asset funds
7. The service element of our proposition enhances customer outcomes

These factors are then assessed in the round to arrive at an overall value for money assessment.

Please note that in the section on ESG portfolios we have removed criteria 6 'add further context by analysing how our returns after fees compare with comparable low-cost passive multi-asset funds'. There is not a wide enough data set to accurately compare to passive multi-asset ESG funds,

Furthermore, an additional assessment criterion is added for ESG portfolios 'Delivering on clearly defined and communicated ESG criteria. The ASPIM ESG policy is also included beneath the overall scorecard.



## ASPIM Growth Portfolios

### 1.

#### Charging a fee that is proportionate to the overall estimated return of the portfolio

Albemarle Street Partners determines that for a portfolio to offer value for money; costs must be proportionate to the overall estimated returns of the portfolio. All portfolios are designed to not exceed certain cost parameters, whilst maintaining a broad, diversified asset allocation. We believe that investors in our portfolios should have access to institutional-quality investment management at a price point that is proportionate to the returns we estimate to achieve.

**Our criteria:** We have determined that the costs within our control should absorb no more than 15% of the estimated return of portfolios. This is based on the capacity of a portfolio bearing some risk to achieve a return that is meaningfully above long-term inflation targets after fees. It allows margin for the additional fees which, whilst not visible to us as an agent as client DFM, will be charged on the portfolio by the financial adviser and platform. This criteria must be achieved for a GREEN rating. A portfolio will gain an AMBER rating if the costs absorb between 15% and 18% of the estimated return of portfolios and a RED rating if costs absorb more than 18% of the estimated returns of portfolios. A rating of RED would require remedial action to return the portfolios to a position where better value is offered.

The following ratings were achieved on 28th February 2025.

| Portfolio           | Rating |
|---------------------|--------|
| ASPIM GROWTH 2      | GREEN  |
| ASPIM GROWTH 3      | GREEN  |
| ASPIM GROWTH 4      | GREEN  |
| ASPIM GROWTH 5      | GREEN  |
| ASPIM GROWTH 6      | GREEN  |
| ASPIM GROWTH 7      | GREEN  |
| ASPIM GROWTH 8      | GREEN  |
| ASPIM GROWTH 9      | GREEN  |
| ASPIM GROWTH 10     | GREEN  |
| ASPIM GROWTH EQUITY | GREEN  |

Source Atlantic House Investments

### 2.

#### Achieving competitive returns compared to peers

We consider relative returns to be a valuable comparison. We examine quartile performance compared to our peers defined by the Morningstar categories over three years. We consider 1st and 2nd quartile performance to be showing good outcomes compared to peers and rank GREEN. We consider 3rd quartile performance to be satisfactory but worthy of further analysis and rank as AMBER. Amber ratings can be achieved for a variety of reasons which do not indicate a problem in performance for example when comparing to peers we note that multiple risk profiles sit within specific categories of risk. This can lead to quartile rankings being attributable to risk level as much as investment performance expertise. With this in mind 3rd quartile performance within a broad peer group could still be considered good value if the risk level was appropriate. 4th quartile performance is marked RED and warrants intervention or further analysis to ensure the portfolios are able to compete in the long-term. Our analysis shows much peer group leading performance and no outlying performance for our ASPIM Growth range. We have used Morningstar's database of model portfolio services to analyse this area.



| Name                | Morningstar Category                   | Quartile Rank 3 years |
|---------------------|----------------------------------------|-----------------------|
| ASPIM GROWTH 2      | EAA Model GBP Allocation 20-40% Equity | 2                     |
| ASPIM GROWTH 3      | EAA Model GBP Allocation 20-40% Equity | 1                     |
| ASPIM GROWTH 4      | EAA Model GBP Allocation 40-60% Equity | 3                     |
| ASPIM GROWTH 5      | EAA Model GBP Allocation 40-60% Equity | 2                     |
| ASPIM GROWTH 6      | EAA Model GBP Allocation 40-60% Equity | 1                     |
| ASPIM GROWTH 7      | EAA Model GBP Allocation 60-80% Equity | 3                     |
| ASPIM GROWTH 8      | EAA Model GBP Allocation 60-80% Equity | 1                     |
| ASPIM GROWTH 9      | EAA Model GBP Allocation 80%+ Equity   | 2                     |
| ASPIM GROWTH 10     | EAA Model GBP Allocation 80%+ Equity   | 2                     |
| ASPIM GROWTH EQUITY | EAA Model GBP Allocation 80%+ Equity   | 3                     |

Source: Morningstar 31/12/2024

### 3.

#### Delivering outperformance relative to benchmarks

The Growth portfolios have comparator benchmarks assigned to them which are reviewed annually. In assessing value, it is important to analyse performance relative to these benchmarks. We consider performance as being GREEN if it exceeds benchmarks over both one and three years or sits within 2% of benchmark returns. We consider portfolio to be AMBER on this basis if returns are between 2-5% adverse to benchmark, warranting analysis to determine the reason for this, for example the short-term market conditions. We consider a portfolio RED on this basis if returns have drifted more than 5% from benchmark over three years.

| Portfolio           | Benchmark                         | 3 year return relative to benchmark |
|---------------------|-----------------------------------|-------------------------------------|
| ASPIM GROWTH 2      | IA Mixed Investment 0-35% Shares  | -1.43%                              |
| ASPIM GROWTH 3      | IA Mixed Investment 0-35% Shares  | 2.18%                               |
| ASPIM GROWTH 4      | IA Mixed Investment 20-60% Shares | 4.94%                               |
| ASPIM GROWTH 5      | IA Mixed Investment 20-60% Shares | 3.17%                               |
| ASPIM GROWTH 6      | IA Mixed Investment 20-60% Shares | 6.34%                               |
| ASPIM GROWTH 7      | IA Mixed Investment 40-85% Shares | 8.59%                               |
| ASPIM GROWTH 8      | IA Mixed Investment 40-85% Shares | 6.11%                               |
| ASPIM GROWTH 9      | IA Flexible Investment            | 9.32%                               |
| ASPIM GROWTH 10     | IA Flexible Investment            | 9.12%                               |
| ASPIM GROWTH EQUITY | IA Flexible Investment            | 8.99%                               |

Source: FactSet/Atlantic House Investments 28th February 2025

### 4.

#### Achieving volatility consistent with the target volatility for the estimated return

Our strategic asset allocation process establishes the volatility level that is commensurate with the target estimated return for each portfolio. We then monitor the experienced level of volatility to score portfolios on the following basis.

To be GREEN a portfolio must have three-year volatility that is no more than 1% higher than the volatility target established in the SAA over three years and no more than 2% higher than the volatility over one year. To be an AMBER a portfolio must have a three-year volatility that is more than 1% but less than 3% higher than the volatility target over three years and be more than 2% but less than 4% higher than the volatility target over one year. These time frames allow for short-term volatility spikes that can be associated with turbulent markets. A portfolio falling outside of this range is marked RED.

The following ratings were achieved on 28th February 2025.



| Portfolio           | Rating |
|---------------------|--------|
| ASPIM GROWTH 2      |        |
| ASPIM GROWTH 3      |        |
| ASPIM GROWTH 4      |        |
| ASPIM GROWTH 5      |        |
| ASPIM GROWTH 6      |        |
| ASPIM GROWTH 7      |        |
| ASPIM GROWTH 8      |        |
| ASPIM GROWTH 9      |        |
| ASPIM GROWTH 10     |        |
| ASPIM GROWTH EQUITY |        |

Source Atlantic House Investments

## 5.

### Charging a fee that is competitive with peers

The average charge for an MPS service in the UK was 0.18% according to NextWealth data at the end of 2024. The price charged for ASPIM Growth is 0.25%. Given the extremely broad dataset used to determine the industry average as identified by NextWealth we believe these charges are in line with industry averages and therefore achieve a GREEN rating. We note that the average industry figures represent a wide variety of business models, including solely passive offerings that often attract a lower pricing point.

The following ratings were achieved on 28th February 2025.

| Portfolio           | Rating |
|---------------------|--------|
| ASPIM GROWTH 2      |        |
| ASPIM GROWTH 3      |        |
| ASPIM GROWTH 4      |        |
| ASPIM GROWTH 5      |        |
| ASPIM GROWTH 6      |        |
| ASPIM GROWTH 7      |        |
| ASPIM GROWTH 8      |        |
| ASPIM GROWTH 9      |        |
| ASPIM GROWTH 10     |        |
| ASPIM GROWTH EQUITY |        |

## 6.

### Comparison with comparable low-cost passive multi-asset funds

We consider the return clients could have achieved by investing in multi-asset solutions that deliver purely passive results by appraising ourselves against a benchmark peer group of the largest passive multi-asset funds available on conventional platforms. We rank portfolios either GREEN for outperformance or RED for underperformance on a three-year basis. This is a secondary factor in our analysis but a red ranking warrants consideration to determine the underlying reasons for this and whether intervention is required.

On 31 January 2025 the following analysis was conducted.



| Description                        | 3 Year Relative Performance |
|------------------------------------|-----------------------------|
| ASPIM GROWTH 2                     | 7.46                        |
| PASSIVE COMPOSITE BENCHMARK 2      | -                           |
| ASPIM GROWTH 3                     | 6.64                        |
| PASSIVE COMPOSITE BENCHMARK 3      | -                           |
| ASPIM GROWTH 4                     | 7.52                        |
| PASSIVE COMPOSITE BENCHMARK 4      | -                           |
| ASPIM GROWTH 5                     | 8.14                        |
| PASSIVE COMPOSITE BENCHMARK 5      | -                           |
| ASPIM GROWTH 6                     | 7.31                        |
| PASSIVE COMPOSITE BENCHMARK 6      | -                           |
| ASPIM GROWTH 7                     | 5.28                        |
| PASSIVE COMPOSITE BENCHMARK 7      | -                           |
| ASPIM GROWTH 8                     | 3.87                        |
| PASSIVE COMPOSITE BENCHMARK 8      | -                           |
| ASPIM GROWTH 9                     | 2.56                        |
| PASSIVE COMPOSITE BENCHMARK 9      | -                           |
| ASPIM GROWTH 10                    | 5.41                        |
| PASSIVE COMPOSITE BENCHMARK 10     | -                           |
| ASPIM GROWTH EQUITY                | -11.65                      |
| PASSIVE COMPOSITE BENCHMARK EQUITY | -                           |

Source: FactSet/Atlantic House Investments 31 December 2024

We acknowledge the underperformance that has occurred relative to this peer group for our highest-risk equity mandates. Whilst this does not compromise the overall value for money assessment, it requires analysis. We believe this has occurred because of the high level of geographic diversification we seek to achieve for clients in this risk profile which can lead to underperformance when compared to multi-asset funds that have larger allocations to specific equity markets on a fixed basis. The overall value demonstrated here strongly supports our assessment that our services offer good value for money.

In determining the composite benchmark, we have applied the following criteria:

The passive investment vehicles must:

1. Be readily available across the major UK platforms for retail investors
2. Be competitively priced
3. Be liquid with daily trading
4. Be in OEICs or Unit Trusts
5. Have £100m or more AUM in the fund
6. Have a performance record of at least five years
7. Have static asset allocation that takes no active investment decisions

The Passive composite benchmarks are available on request by Albemarle Street Partners' clients.

## 7.

### The service element of our proposition enhances customer outcomes

In determining the 'service' element of what we offer clients we have examined a peer group of firms who offer services to clients to ensure that our offering delivers exceptional levels of information to our clients through multiple sources to aid the objective of providing exceptional customer service and working actively to improve consumer understanding of their investments. We highlight the work done to produce proposals through a digital interface that can provide financial advisers with models to analyse potential long-term returns and the uncertainty around this, as well as calculate an estimated risk of ruin for portfolios in drawdown. Our educational content is focused on a holistic approach to delivering an investment service to clients. We have recently provided forums to analyse



client vulnerability in a broader sense than was historically typical, explore the challenges of building retirement propositions and the challenge of platform selection. Projects such as our 'Investors Guide to Markets' have developed graphic illustrations of key investment concepts for financial advisers to construct materials which can meet our goal of facilitating 'better conversations about markets.' In assessing whether our communications aid customer understanding we cannot as an agent as client DFM ask the retail clients directly. However, we conduct surveys with financial advisers and discuss regularly with them in a structured forum whether materials are proving effective for them to use in presenting the products to clients. We continuously evolve our approach in response to this.

| Provider          | White Labelled Portfolios | White-labelled Marketing Support | Branded Factsheets | Investment Committees | Adviser Portal | In-house Risk Profiling Tools | Cashflow Modelling | Portfolio Proposal Tool | Client Valuations / Reports | Back Office Integration | OEIC Range | Income Solutions |
|-------------------|---------------------------|----------------------------------|--------------------|-----------------------|----------------|-------------------------------|--------------------|-------------------------|-----------------------------|-------------------------|------------|------------------|
| 7IM               |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| AJ Bell           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| ASPIM             | ✓                         | ✓                                | ✓                  | ✓                     | ✓              | No                            | ✓                  | ✓                       |                             | Target                  | ✓          | ✓                |
| Brewin Dolphin    | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Brooks Mac        |                           |                                  |                    |                       | ✓              |                               |                    | ✓                       | ✓                           |                         | ✓          | ✓                |
| Canaccord Genuity |                           |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |
| Cazenove          |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Copia Capital     | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               |                    |                         |                             | ✓                       |            | ✓                |
| EBI               |                           | ✓                                | ✓                  |                       | ✓              | ✓                             | ✓                  |                         |                             |                         |            |                  |
| Elston            | ✓                         |                                  | ✓                  |                       |                |                               |                    |                         |                             |                         | ✓          | ✓                |
| EQ Investors      |                           |                                  |                    | ✓                     | ✓              |                               | ✓                  | ✓                       | ✓                           |                         |            |                  |
| Evelyn Partners   |                           |                                  |                    |                       |                |                               |                    |                         | ✓                           | ✓                       | ✓          | ✓                |
| FE                |                           |                                  |                    |                       | ✓              | ✓                             | ✓                  | ✓                       |                             |                         |            | ✓                |
| IBOSS             |                           | ✓                                |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| LGT Vestra        | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Parmenion         | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               | ✓                  |                         | ✓                           | ✓                       |            | ✓                |
| Portfolio Metrix  |                           |                                  |                    | ✓                     | ✓              | ✓                             | ✓                  |                         | ✓                           |                         | ✓          |                  |
| Quilter           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Quilter Cheviot   |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| Rathbones         |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| SQM               | ✓                         |                                  |                    | ✓                     |                |                               |                    |                         |                             |                         |            | ✓                |
| Tatton            |                           |                                  |                    | ✓                     | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Timeline          | ✓                         |                                  | ✓                  | ✓                     | ✓              | ✓                             |                    | ✓                       | ✓                           |                         |            |                  |
| Waverton          | ✓                         |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |

## Our overall score card

**We have arrived at our overall score by rating each of these analysis points on the following basis:**

**Good** - where this data points shows we have delivered strong value for money

**Satisfactory** - where this data points shows good value for money.

**Unsatisfactory** - where weaker value for money is indicated based upon this data point alone.

We have then aggregated these scores to arrive at an overall value for money assessment, placing the greatest weight on our quantitative measures which focuses on the estimated returns delivered for clients against reasonable expectations for the appropriate risk profile.



| Portfolio           | Charging a fee that is proportionate to the overall estimated return of the portfolio | Achieving competitive relative returns compared to peers | Performance compared to benchmarks | Achieving volatility consistent with the target volatility for the return | Charging a fee that is competitive with peers | Our returns compared to a benchmark passive alternative | The service element | Our overall score |
|---------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------|---------------------|-------------------|
| ASPIM GROWTH 2      | Good                                                                                  | Good                                                     | Good                               | Satisfactory                                                              | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 3      | Good                                                                                  | Good                                                     | Good                               | Satisfactory                                                              | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 4      | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 5      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 6      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 7      | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 8      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 9      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH 10     | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM GROWTH EQUITY | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Unsatisfactory                                          | Good                | Good              |



## ASPIM Index Portfolios

### 1.

#### Charging a fee that is proportionate to the overall estimated return of the portfolio

Albemarle Street Partners determines that for a portfolio to offer value for money; costs must be proportionate to the overall estimated returns of the portfolio. All portfolios are designed to not exceed certain cost parameters, whilst maintaining a broad, diversified asset allocation. We believe that investors in our portfolios should have access to institutional-quality investment management at a price point that is proportionate to the returns we estimate to achieve.

**Our criteria:** We have determined that the costs within our control should absorb no more than 15% of the estimated return of portfolios. This is based on the capacity of a portfolio bearing some risk to achieve a return that is meaningfully above long-term inflation targets after fees. It allows margin for the additional fees which, whilst not visible to us as an agent as client DFM, will be charged on the portfolio by the financial adviser and platform. This criteria must be achieved for a GREEN rating. A portfolio will gain an AMBER rating if the costs absorb between 15% and 18% of the estimated return of portfolios and a RED rating if costs absorb more than 18% of the estimated returns of portfolios. A rating of RED would require remedial action to return the portfolios to a position where better value is offered.

The following ratings were achieved on 28th February 2025.

| Portfolio                         | Rating |
|-----------------------------------|--------|
| ASPIM INDEX 2                     | GREEN  |
| ASPIM INDEX 3                     | GREEN  |
| ASPIM INDEX 4                     | GREEN  |
| ASPIM INDEX 5                     | GREEN  |
| ASPIM INDEX 6                     | GREEN  |
| ASPIM INDEX 7                     | GREEN  |
| ASPIM INDEX 8                     | GREEN  |
| ASPIM INDEX 9                     | GREEN  |
| ASPIM INDEX 10                    | GREEN  |
| ASPIM INDEX EQUITY                | GREEN  |
| Source Atlantic House Investments |        |

### 2.

#### Achieving competitive returns compared to peers

We consider relative returns to be a valuable comparison. We examine quartile performance compared to our peers defined by the Morningstar categories over three years. We consider 1st and 2nd quartile performance to be showing good outcomes compared to peers and rank GREEN. We consider 3rd quartile performance to be satisfactory but worthy of further analysis and rank as AMBER. Amber ratings can be achieved for a variety of reasons for example when comparing to peers we note that multiple risk profiles sit within specific categories of risk. This can lead to quartile rankings being attributable to risk level as much as investment performance expertise. With this in mind 3rd quartile performance within a broad peer group could still be considered good value if the risk level was appropriate. 4th quartile performance is marked RED and warrants intervention or further analysis to ensure the portfolios are able to compete in the long-term. Our analysis shows much peer group leading performance and no outlying performance for our ASPIM Growth range. We have used Morningstar's database of model portfolio services to analyse this area.



| Name            | Morningstar Category                   | Quartile Rank 3 years |
|-----------------|----------------------------------------|-----------------------|
| ASPIIM Index 2  | EAA Model GBP Allocation 20-40% Equity | 3                     |
| ASPIIM Index 3  | EAA Model GBP Allocation 20-40% Equity | 1                     |
| ASPIIM Index 4  | EAA Model GBP Allocation 40-60% Equity | 3                     |
| ASPIIM Index 5  | EAA Model GBP Allocation 40-60% Equity | 1                     |
| ASPIIM Index 6  | EAA Model GBP Allocation 60-80% Equity | 3                     |
| ASPIIM Index 7  | EAA Model GBP Allocation 60-80% Equity | 1                     |
| ASPIIM Index 8  | EAA Model GBP Allocation 80%+ Equity   | 1                     |
| ASPIIM Index 9  | EAA Model GBP Allocation 80%+ Equity   | 1                     |
| ASPIIM Index 10 | EAA Model GBP Allocation 80%+ Equity   | 1                     |

Source: Morningstar 31/12/2024 (Note: ASPIIM Index Equity data is not yet available from Morningstar))

### 3.

#### Delivering outperformance relative to benchmarks

All our portfolios have comparator benchmarks assigned to them which are reviewed annually. In assessing value, it is important to analyse performance relative to these benchmarks. We consider performance as being GREEN if it exceeds benchmarks over both one and three years or sits within 2% of benchmark returns. We consider portfolio to be AMBER on this basis if returns are between 2-5% adverse to benchmark, warranting analysis to determine the reason for this, for example the short-term market conditions. We consider a portfolio RED on this basis if returns have drifted more than 5% from benchmark over three years.

| Portfolio           | Benchmark                         | 3 year return relative to benchmark |
|---------------------|-----------------------------------|-------------------------------------|
| ASPIIM INDEX 2      | IA Mixed Investment 0-35% Shares  | 1.77%                               |
| ASPIIM INDEX 3      | IA Mixed Investment 0-35% Shares  | 4.38%                               |
| ASPIIM INDEX 4      | IA Mixed Investment 20-60% Shares | 3.11%                               |
| ASPIIM INDEX 5      | IA Mixed Investment 20-60% Shares | 6.81%                               |
| ASPIIM INDEX 6      | IA Mixed Investment 20-60% Shares | 8.53%                               |
| ASPIIM INDEX 7      | IA Mixed Investment 40-85% Shares | 9.19%                               |
| ASPIIM INDEX 8      | IA Mixed Investment 40-85% Shares | 13.05%                              |
| ASPIIM INDEX 9      | IA Flexible Investment            | 12.36%                              |
| ASPIIM INDEX 10     | IA Flexible Investment            | 12.58%                              |
| ASPIIM INDEX EQUITY | IA Flexible Investment            | 12.41%                              |

Source: FactSet/Atlantic House Investments 28 February 2025

### 4.

#### Achieving volatility consistent with the target volatility for the estimated return

Our strategic asset allocation process establishes the volatility level that is commensurate with the target estimated return for each portfolio. We then monitor the experienced level of volatility to score portfolios on the following basis.

To be GREEN a portfolio must have three-year volatility that is no more than 1% higher than the volatility target established in the SAA over three years and no more than 2% higher than the volatility over one year. To be an AMBER a portfolio must have a three-year volatility that is more than 1% but less than 3% higher than the volatility target over three years and be more than 2% but less than 4% higher than the volatility target over one year. These time frames allow for short-term volatility spikes that can be associated with turbulent markets. A portfolio falling outside of this range is marked RED.

The following ratings were achieved on 28th February 2025.



| Portfolio          | Rating |
|--------------------|--------|
| ASPIM INDEX 2      | RED    |
| ASPIM INDEX 3      | RED    |
| ASPIM INDEX 4      | GREEN  |
| ASPIM INDEX 5      | GREEN  |
| ASPIM INDEX 6      | GREEN  |
| ASPIM INDEX 7      | GREEN  |
| ASPIM INDEX 8      | GREEN  |
| ASPIM INDEX 9      | GREEN  |
| ASPIM INDEX 10     | GREEN  |
| ASPIM INDEX EQUITY | GREEN  |

Source Atlantic House Investments

## 5.

### Charging a fee that is competitive with peers

The average charge for an MPS service in the UK was 0.18% according to NextWealth data at the end of 2024. The price charged for ASPIM Index is 0.15%. Given the extremely broad dataset used to determine the industry average as identified by NextWealth we believe these charges are in line with industry averages and therefore achieve a GREEN rating.

The following ratings were achieved on 28th February 2025.

| Portfolio          | Rating |
|--------------------|--------|
| ASPIM INDEX 2      | GREEN  |
| ASPIM INDEX 3      | GREEN  |
| ASPIM INDEX 4      | GREEN  |
| ASPIM INDEX 5      | GREEN  |
| ASPIM INDEX 6      | GREEN  |
| ASPIM INDEX 7      | GREEN  |
| ASPIM INDEX 8      | GREEN  |
| ASPIM INDEX 9      | GREEN  |
| ASPIM INDEX 10     | GREEN  |
| ASPIM INDEX EQUITY | GREEN  |

## 6.

### Comparison with comparable low-cost passive multi-asset funds

We consider the return clients could have achieved by investing in multi-asset solutions that deliver purely passive results by appraising ourselves against a benchmark peer group of the largest passive multi-asset funds available on conventional platforms. We rank portfolios either GREEN for outperformance or RED for underperformance on a three-year basis. This is a secondary factor in our analysis but a red ranking warrants consideration to determine the underlying reasons for this and whether intervention is required.

On 31 January 2025 the following analysis was conducted.



| Description                        | 3 Year Relative Performance |
|------------------------------------|-----------------------------|
| ASPIM INDEX 2                      | 6.94                        |
| PASSIVE COMPOSITE BENCHMARK 2      | -                           |
| ASPIM INDEX 3                      | 6.27                        |
| PASSIVE COMPOSITE BENCHMARK 3      | -                           |
| ASPIM INDEX 4                      | 7.58                        |
| PASSIVE COMPOSITE BENCHMARK 4      | -                           |
| ASPIM INDEX 5                      | 9.06                        |
| PASSIVE COMPOSITE BENCHMARK 5      | -                           |
| ASPIM INDEX 6                      | 7.91                        |
| PASSIVE COMPOSITE BENCHMARK 6      | -                           |
| ASPIM INDEX 7                      | 9.34                        |
| PASSIVE COMPOSITE BENCHMARK 7      | -                           |
| ASPIM INDEX 8                      | 8.90                        |
| PASSIVE COMPOSITE BENCHMARK 8      | -                           |
| ASPIM INDEX 9                      | 7.67                        |
| PASSIVE COMPOSITE BENCHMARK 9      | -                           |
| ASPIM INDEX 10                     | 0.34                        |
| PASSIVE COMPOSITE BENCHMARK 10     | -                           |
| ASPIM INDEX EQUITY                 | -4.73                       |
| PASSIVE COMPOSITE BENCHMARK EQUITY | -                           |

Source Factset/ Atlantic House Investments 31 December 2024

We acknowledge the underperformance that has occurred relative to this peer group for our highest-risk equity mandates. Whilst this does not compromise the overall value for money assessment, it requires analysis. We believe this has occurred because of the high level of geographic diversification we seek to achieve for clients in this risk profile which can lead to underperformance when compared to multi-asset funds that have larger allocations to specific equity markets on a fixed basis. The overall value demonstrated here strongly supports our assessment that our services offer good value for money.

In determining the composite benchmark, we have applied the following criteria:

The passive investment vehicles must:

1. Be readily available across the major UK platforms for retail investors
2. Be competitively priced
3. Be liquid with daily trading
4. Be in OEICs or Unit Trusts
5. Have £100m or more AUM in the fund
6. Have a performance record of at least five years
7. Have static asset allocation that takes no active investment decisions

The Passive composite benchmarks are available on request by Albemarle Street Partners' clients.

## 7.

### The service element of our proposition enhances customer outcomes

In determining the 'service' element of what we offer clients we have examined a peer group of firms who offer services to clients to ensure that our offering delivers exceptional levels of information to our clients through multiple sources to aid the objective of providing exceptional customer service and working actively to improve consumer understanding of their investments. We highlight the work done to produce proposals through a digital interface

that can provide financial advisers with models to analyse potential long-term returns and the uncertainty around this, as well as calculate an estimated risk of ruin for portfolios in drawdown. Our educational content is focused on a holistic approach to delivering an investment service to clients. We have recently provided forums to analyse client



vulnerability in a broader sense than was historically typical, explore the challenges of building retirement propositions and the challenge of platform selection. Projects such as our 'Investors Guide to Markets' have developed graphic illustrations of key investment concepts for financial advisers to construct materials which can meet our goal of facilitating 'better conversations about markets.' In assessing whether our communications aid customer understanding we cannot as an agent as client DFM ask the retail clients directly. However, we conduct surveys with financial advisers and discuss regularly with them in a structured forum whether materials are proving effective for them to use in presenting the products to clients. We continuously evolve our approach in response to this.

| Provider          | White Labelled Portfolios | White-labelled Marketing Support | Branded Factsheets | Investment Committees | Adviser Portal | In-house Risk Profiling Tools | Cashflow Modelling | Portfolio Proposal Tool | Client Valuations / Reports | Back Office Integration | OEIC Range | Income Solutions |
|-------------------|---------------------------|----------------------------------|--------------------|-----------------------|----------------|-------------------------------|--------------------|-------------------------|-----------------------------|-------------------------|------------|------------------|
| 7IM               |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| AJ Bell           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| ASPIM             | ✓                         | ✓                                | ✓                  | ✓                     | ✓              | No                            | ✓                  | ✓                       |                             | Target                  | ✓          | ✓                |
| Brewin Dolphin    | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Brooks Mac        |                           |                                  |                    |                       | ✓              |                               |                    | ✓                       | ✓                           |                         | ✓          | ✓                |
| Canaccord Genuity |                           |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |
| Cazenove          |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Copia Capital     | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               |                    |                         |                             | ✓                       |            | ✓                |
| EBI               |                           | ✓                                | ✓                  |                       | ✓              | ✓                             | ✓                  |                         |                             |                         |            |                  |
| Elston            | ✓                         |                                  | ✓                  |                       |                |                               |                    |                         |                             |                         | ✓          | ✓                |
| EQ Investors      |                           |                                  |                    | ✓                     | ✓              |                               | ✓                  | ✓                       | ✓                           |                         |            |                  |
| Evelyn Partners   |                           |                                  |                    |                       |                |                               |                    |                         | ✓                           | ✓                       | ✓          | ✓                |
| FE                |                           |                                  |                    |                       | ✓              | ✓                             | ✓                  | ✓                       |                             |                         |            | ✓                |
| IBOSS             |                           | ✓                                |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| LGT Vestra        | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Parmenion         | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               | ✓                  |                         | ✓                           | ✓                       |            | ✓                |
| Portfolio Metrix  |                           |                                  |                    | ✓                     | ✓              | ✓                             | ✓                  |                         | ✓                           |                         | ✓          |                  |
| Quilter           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Quilter Cheviot   |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| Rathbones         |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| SQM               | ✓                         |                                  |                    | ✓                     |                |                               |                    |                         |                             |                         |            | ✓                |
| Tatton            |                           |                                  |                    | ✓                     | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Timeline          | ✓                         |                                  | ✓                  | ✓                     | ✓              | ✓                             |                    | ✓                       | ✓                           |                         |            |                  |
| Waverton          | ✓                         |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |

## Our overall score card

**We have arrived at our overall score by rating each of these analysis points on the following basis:**

**Good** - where this data points shows we have delivered strong value for money

**Satisfactory** - where this data points shows good value for money.

**Unsatisfactory** - where weaker value for money is indicated based upon this data point alone.

We have then aggregated these scores to arrive at an overall value for money assessment, placing the greatest



weight on our quantitative measures which focuses on the estimated returns delivered for clients against reasonable expectations for the appropriate risk profile.

| Portfolio          | Charging a fee that is proportionate to the overall estimated return of the portfolio | Achieving competitive relative returns compared to peers | Performance compared to benchmarks | Achieving volatility consistent with the target volatility for the return | Charging a fee that is competitive with peers | Our returns compared to a benchmark passive alternative | The service element | Our overall score |
|--------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------|---------------------|-------------------|
| ASPIM INDEX 2      | Good                                                                                  | Satisfactory                                             | Good                               | Satisfactory                                                              | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 3      | Good                                                                                  | Good                                                     | Good                               | Satisfactory                                                              | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 4      | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 5      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 6      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 7      | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 8      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 9      | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX 10     | Good                                                                                  | Good                                                     | Good                               | Good                                                                      | Good                                          | Good                                                    | Good                | Good              |
| ASPIM INDEX EQUITY | Good                                                                                  | N/A                                                      | Good                               | Good                                                                      | Good                                          | Unsatisfactory                                          | Good                | Good              |



## ASPIM ESG Portfolios

### 1.

#### Charging a fee that is proportionate to the overall estimated return of the portfolio

Albemarle Street Partners determines that for a portfolio to offer value for money; costs must be proportionate to the overall estimated returns of the portfolio. All portfolios are designed to not exceed certain cost parameters, whilst maintaining a broad, diversified asset allocation. We believe that investors in our portfolios should have access to institutional-quality investment management at a price point that is proportionate to the returns we estimate to achieve.

**Our criteria:** We have determined that the costs within our control should absorb no more than 15% of the estimated return of portfolios. This is based on the capacity of a portfolio bearing some risk to achieve a return that is meaningfully above long-term inflation targets after fees. It allows margin for the additional fees which, whilst not visible to us as an agent as client DFM, will be charged on the portfolio by the financial adviser and platform. This criteria must be achieved for a GREEN rating. A portfolio will gain an AMBER rating if the costs absorb between 15% and 18% of the estimated return of portfolios and a RED rating if costs absorb more than 18% of the estimated returns of portfolios. A rating of RED would require remedial action to return the portfolios to a position where better value is offered.

The following ratings were achieved on 28th February 2025.

| Portfolio        | Rating |
|------------------|--------|
| ASPIM ESG 2      | GREEN  |
| ASPIM ESG 3      | GREEN  |
| ASPIM ESG 4      | GREEN  |
| ASPIM ESG 5      | GREEN  |
| ASPIM ESG 6      | GREEN  |
| ASPIM ESG 7      | GREEN  |
| ASPIM ESG 8      | GREEN  |
| ASPIM ESG 9      | GREEN  |
| ASPIM ESG 10     | GREEN  |
| ASPIM ESG EQUITY | GREEN  |

Source Atlantic House Investments

### 2.

#### Achieving competitive returns compared to peers

We consider relative returns to be a valuable comparison. We examine quartile performance compared to our peers defined by the Morningstar categories over three years. We consider 1st and 2nd quartile performance to be showing good outcomes compared to peers and rank GREEN. We consider 3rd quartile performance to be satisfactory but worthy of further analysis and rank as AMBER. Amber ratings can be achieved for a variety of reasons for example when comparing to peers we note that multiple risk profiles sit within specific categories of risk. This can lead to quartile rankings being attributable to risk level as much as investment performance expertise. With this in mind 3rd quartile performance within a broad peer group could still be considered good value if the risk level was appropriate. 4th quartile performance is marked RED and warrants intervention or further analysis to ensure the portfolios are able to compete in the long-term. We have used Morningstar's database of model portfolio services to analyse this area.



| Name         | Morningstar Custom Benchmark | Quartile Rank 3 years |
|--------------|------------------------------|-----------------------|
| ASPIM ESG 2  | ESG Defaqto 2                | 2                     |
| ASPIM ESG 3  | ESG Defaqto 3                | 3                     |
| ASPIM ESG 4  | ESG Defaqto 4                | 3                     |
| ASPIM ESG 5  | ESG Defaqto 5                | 3                     |
| ASPIM ESG 6  | ESG Defaqto 5                | 4                     |
| ASPIM ESG 7  | ESG Defaqto 6                | 3                     |
| ASPIM ESG 8  | ESG Defaqto 7                | 3                     |
| ASPIM ESG 9  | ESG Defaqto 8                | 3                     |
| ASPIM ESG 10 | ESG Defaqto 8                | 2                     |

Source: Morningstar 31/12/2024 (Note ASPIM ESG Equity is a Defaqto risk profile 9, there is an insufficient amount of comparable peer portfolios in this risk profile).

The above ESG Defaqto benchmarks are constructed from available peer group data on Morningstar. The Peer group was established through a structured filtering process, starting with a broad universe of peer model portfolios with a 'Sustainable focus'. To remain objective the filters were then applied based on firm size and comparable ESG screening exposures. Publicly available Defaqto ratings were used to construct benchmark risk profiles that can be fairly compared to ASPIM ESG models.

These peer groups can be provided to clients of Albemarle Street Partners on request.

We note the fourth quartile performance of ASPIM ESG 6 against this peer group. Whilst we are aware that the portfolio has a somewhat more restrictive ESG criteria than some of these peers we nonetheless are monitoring this portfolio closely. We believe though that clients who use our ESG models benefit from a very clear ESG policy which imposes stricter exclusions than many other services and that this is valued by the target market clients invested in these portfolios.

### 3.

#### Delivering outperformance relative to benchmarks

The Growth portfolios have comparator benchmarks assigned to them which are reviewed annually. In assessing value, it is important to analyse performance relative to these benchmarks. We consider performance as being GREEN if it exceeds benchmarks over both one and three years or sits within 2% of benchmark returns. We consider portfolio to be AMBER on this basis if returns are between 2-5% adverse to benchmark, warranting analysis to determine the reason for this, for example the short-term market conditions. We consider a portfolio RED on this basis if returns have drifted more than 5% from benchmark over three years.

| Portfolio        | Benchmark                         | 3 year return relative to benchmark |
|------------------|-----------------------------------|-------------------------------------|
| ASPIM ESG 2      | IA Mixed Investment 0-35% Shares  | -2.07%                              |
| ASPIM ESG 3      | IA Mixed Investment 0-35% Shares  | -0.44%                              |
| ASPIM ESG 4      | IA Mixed Investment 20-60% Shares | -4.35%                              |
| ASPIM ESG 5      | IA Mixed Investment 20-60% Shares | -2.48%                              |
| ASPIM ESG 6      | IA Mixed Investment 20-60% Shares | -2.09%                              |
| ASPIM ESG 7      | IA Mixed Investment 40-85% Shares | -5.10%                              |
| ASPIM ESG 8      | IA Mixed Investment 40-85% Shares | -4.30%                              |
| ASPIM ESG 9      | IA Flexible Investment            | -3.92%                              |
| ASPIM ESG 10     | IA Flexible Investment            | -3.08%                              |
| ASPIM ESG EQUITY | IA Flexible Investment            | -4.68%                              |

Source: FactSet/Atlantic House Investments 28th February 2025

We note the underperformance of these models against their benchmarks. These are unconstrained benchmarks and so it is likely that ESG models will lag during periods of time when the sectors disproportionately represented within ESG portfolios lag those of unconstrained mandates. We still believe it is important for clients to see how we are performing against unconstrained benchmarks. Not least because this reflects the risks as well as the opportunities inherent in ESG portfolios. We have sought to show in this assessment also how we have performed against a peer



group of similar ESG models. When we assess the overall value of these models, we consider that because they have adhered to their ESG mandates, and because clients have specifically chosen this, understanding that any constrained portfolio comes with limitations, that they represent fair value overall.

#### 4.

##### **Achieving volatility consistent with the target volatility for the estimated return**

Our strategic asset allocation process establishes the volatility level that is commensurate with the target estimated return for each portfolio. We then monitor the experienced level of volatility to score portfolios on the following basis.

To be GREEN a portfolio must have three-year volatility that is no more than 1% higher than the volatility target established in the SAA over three years and no more than 2% higher than the volatility over one year. To be an AMBER a portfolio must have a three-year volatility that is more than 1% but less than 3% higher than the volatility target over three years and be more than 2% but less than 4% higher than the volatility target over one year. These time frames allow for short-term volatility spikes that can be associated with turbulent markets. A portfolio falling outside of this range is marked RED.

The following ratings were achieved on 28 February 2025

| Portfolio                                 | Rating |
|-------------------------------------------|--------|
| ASPIM ESG 2                               |        |
| ASPIM ESG 3                               |        |
| ASPIM ESG 4                               |        |
| ASPIM ESG 5                               |        |
| ASPIM ESG 6                               |        |
| ASPIM ESG 7                               |        |
| ASPIM ESG 8                               |        |
| ASPIM ESG 9                               |        |
| ASPIM ESG 10                              |        |
| ASPIM ESG EQUITY                          |        |
| Source Factset/Atlantic House Investments |        |

#### 5.

##### **Charging a fee that is competitive with peers**

The average charge for an MPS service in the UK was 0.18% according to NextWealth data at the end of 2024. The price charged for ASPIM ESG is 0.25%. Given the extremely broad dataset used to determine the industry average as identified by NextWealth we believe these charges are in line with industry averages and therefore achieve a GREEN rating. We note that the average industry figures represent a wide variety of business models, including solely passive offerings that often attract a lower pricing point.

The following ratings were achieved on 28th February 2025.

| Portfolio        | Rating |
|------------------|--------|
| ASPIM ESG 2      |        |
| ASPIM ESG 3      |        |
| ASPIM ESG 4      |        |
| ASPIM ESG 5      |        |
| ASPIM ESG 6      |        |
| ASPIM ESG 7      |        |
| ASPIM ESG 8      |        |
| ASPIM ESG 9      |        |
| ASPIM ESG 10     |        |
| ASPIM ESG EQUITY |        |

Source: FactSet/Atlantic House Investments 28 February 2025



## 6.

### The service element of our proposition enhances customer outcomes

In determining the 'service' element of what we offer clients we have examined a peer group of firms who offer services to clients to ensure that our offering delivers exceptional levels of information to our clients through multiple sources to aid the objective of providing exceptional customer service and working actively to improve consumer understanding of their investments. We highlight the work done to produce proposals through a digital interface that can provide financial advisers with models to analyse potential long-term returns and the uncertainty around this, as well as calculate an estimated risk of ruin for portfolios in drawdown. Our educational content is focused on a wholistic approach to delivering an investment service to clients. We have recently provided forums to analyse client vulnerability in a broader sense than was historically typical, explore the challenges of building retirement propositions and the challenge of platform selection. Projects such as our 'Investors Guide to Markets' have developed graphic illustrations of key investment concepts for financial advisers to construct materials which can meet our goal of facilitating 'better conversations about markets.' In assessing whether our communications aid customer understanding we cannot as an agent as client DFM ask the retail clients directly. However, we conduct surveys with financial advisers and discuss regularly with them in a structured forum whether materials are proving effective for them to use in presenting the products to clients. We continuously evolve our approach in response to this.

| Provider          | White Labelled Portfolios | White-labelled Marketing Support | Branded Factsheets | Investment Committees | Adviser Portal | In-house Risk Profiling Tools | Cashflow Modelling | Portfolio Proposal Tool | Client Valuations / Reports | Back Office Integration | OEIC Range | Income Solutions |
|-------------------|---------------------------|----------------------------------|--------------------|-----------------------|----------------|-------------------------------|--------------------|-------------------------|-----------------------------|-------------------------|------------|------------------|
| 7IM               |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| AJ Bell           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| ASPIM             | ✓                         | ✓                                | ✓                  | ✓                     | ✓              | No                            | ✓                  | ✓                       |                             | Target                  | ✓          | ✓                |
| Brewin Dolphin    | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Brooks Mac        |                           |                                  |                    |                       | ✓              |                               |                    | ✓                       | ✓                           |                         | ✓          | ✓                |
| Canaccord Genuity |                           |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |
| Cazenove          |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Copia Capital     | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               |                    |                         |                             | ✓                       |            | ✓                |
| EBI               |                           | ✓                                | ✓                  |                       | ✓              | ✓                             | ✓                  |                         |                             |                         |            |                  |
| Elston            | ✓                         |                                  | ✓                  |                       |                |                               |                    |                         |                             |                         | ✓          | ✓                |
| EQ Investors      |                           |                                  |                    | ✓                     | ✓              |                               | ✓                  | ✓                       | ✓                           |                         |            |                  |
| Evelyn Partners   |                           |                                  |                    |                       |                |                               |                    |                         | ✓                           | ✓                       | ✓          | ✓                |
| FE                |                           |                                  |                    |                       | ✓              | ✓                             | ✓                  | ✓                       |                             |                         |            | ✓                |
| IBOSS             |                           | ✓                                |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| LGT Vestra        | ✓                         |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Parmenion         | ✓                         | ✓                                | ✓                  | ✓                     | ✓              |                               | ✓                  |                         | ✓                           | ✓                       |            | ✓                |
| Portfolio Metrix  |                           |                                  |                    | ✓                     | ✓              | ✓                             | ✓                  |                         | ✓                           |                         | ✓          |                  |
| Quilter           |                           |                                  |                    |                       | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Quilter Cheviot   |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| Rathbones         |                           |                                  |                    |                       | ✓              |                               |                    |                         |                             |                         | ✓          | ✓                |
| SQM               | ✓                         |                                  |                    | ✓                     |                |                               |                    |                         |                             |                         |            | ✓                |
| Tatton            |                           |                                  |                    | ✓                     | ✓              |                               |                    |                         | ✓                           |                         | ✓          | ✓                |
| Timeline          | ✓                         |                                  | ✓                  | ✓                     | ✓              | ✓                             |                    | ✓                       | ✓                           |                         |            |                  |
| Waverton          | ✓                         |                                  |                    |                       | ✓              |                               | ✓                  |                         | ✓                           |                         | ✓          | ✓                |



## 7.

### Delivering on clearly defined and communicated ESG criteria

Our ESG Investment Policy establishes clear exclusions from the portfolio as well as seeking evidence of work towards identified social goals. Each year our investment team gathers detailed questionnaires from every fund with which we invest to verify that our expectations have been met on their adherence to policy. We believe the confidence this gives clients is a key driver of client value. We communicate our ESG criteria with clients via our ESG Policy and an ESG Questionnaire to ensure that the underlying clients understand the risk and return profiles of ESG portfolios. Our ESG Policy is included below the overall score card.

We include this as an additional driver of value within our overall value for money score card for our ESG models.

### Our overall score card

**We have arrived at our overall score by rating each of these analysis points on the following basis:**

**Good** - where this data points shows we have delivered strong value for money.

**Satisfactory** - where this data points shows good value for money.

**Unsatisfactory** - where weaker value for money is indicated based upon this data point alone.

We have then aggregated these scores to arrive at an overall value for money assessment, placing the greatest weight on our quantitative measures which focuses on the estimated returns delivered for clients against reasonable expectations for the appropriate risk profile.

| Portfolio       | Charging a fee that is proportionate to the overall estimated return of the portfolio | Achieving competitive relative returns compared to peers | Performance compared to benchmarks | Achieving volatility consistent with the target volatility for the return | Charging a fee that is competitive with peers | The service element | Delivering on clearly defined and communicated ESG criteria | Our overall score |
|-----------------|---------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------|---------------------|-------------------------------------------------------------|-------------------|
| ASPI ESG 2      | Good                                                                                  | Good                                                     | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 3      | Good                                                                                  | Satisfactory                                             | Good                               | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 4      | Good                                                                                  | Satisfactory                                             | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 5      | Good                                                                                  | Satisfactory                                             | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 6      | Good                                                                                  | Unsatisfactory                                           | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 7      | Good                                                                                  | Satisfactory                                             | Unsatisfactory                     | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 8      | Good                                                                                  | Satisfactory                                             | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 9      | Good                                                                                  | Satisfactory                                             | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG 10     | Good                                                                                  | Good                                                     | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |
| ASPI ESG EQUITY | Good                                                                                  | N/A                                                      | Satisfactory                       | Good                                                                      | Good                                          | Good                | Good                                                        | Good              |

**Our overall assessment is currently therefore that all the portfolios in these ranges represent good value for money to clients both in terms of their capacity to achieve the estimated returns that we identify as the right customer outcome and at a price that is fair for this outcome, taking consideration of the particular restrictions of investors using our ESG portfolios.**

### ASPI ESG Policy

The Albemarle Street Partners product range gives investors a way to achieve their financial goals whilst remaining true to their values and beliefs. We understand why Environmental, Social, and Governance (ESG) issues matter and our investment process ensures that we adhere to the highest possible standards. Environmental, Social and Governance Investing is a catch-all phrase for funds seeking positive societal and environmental change. By identifying well managed companies fund managers seek to encourage inclusion, diversity and positive environmental impact.

The sector can be thought of as a natural extension of ethical investing and enhanced corporate stewardship. Government regulators and suppliers have long understood the importance of good governance when forming long-term relationships. Investors can now consider these factors when investing their savings. As consumers we are



increasingly aware of the harmful impact of human activity on biodiversity and the climate.

We also know that unjust hiring practices skew corporate decision making and board behaviour. Well informed consumers and investors are increasingly holding companies and their executives accountable for the societal and environmental impact of their actions. Albemarle's ESG portfolios help investors aspiring to a higher moral purpose in their investment decisions achieve their financial goals. Our Investment Process We believe investors should not have to compromise their financial goals when investing for ESG purposes.

We use a robust Strategic Asset Allocation (SAA) framework which incorporates return, risk and correlation expectations for a range of different assets. The inflation and interest rate backdrop drives asset class returns, and we use this knowledge to add further value through our Tactical Asset Allocation framework. We believe that a well-run ESG fund should be clear in what it seeks to achieve.

The UN Sustainable Development Goals (SDGs) act as a framework for many fund houses and specific development targets also need to be made clear.

We believe that the goal of seeking improvement should not ignore actual harm in existing company activity and products. We are looking for well-resourced teams capable of analysing relevant ESG data and building a detailed understanding of the most relevant concerns. Finally, we seek constant engagement on ESG issues and active use of shareholder votes.

The Albemarle ESG Fund Selection Framework is built on the three E's - Exclude, Evaluate and Engage.

## **Exclude**

We exclude funds that contain companies that generate more than 10% of their revenues from the sale of:

1. Adult Entertainment
2. Alcohol
3. Armaments
4. Fossil Fuels
5. Gambling
6. Tobacco Products

We believe exclusions are essential in creating a level playing field for fund comparison. The principle of No Harm forms the foundation of the Albemarle ESG process.

## **Evaluate**

We believe good ESG fund management requires broad and varied knowledge and skillsets. We understand the limitation of a purely quantitative approach and seek out firms with large well-resourced investment teams with internal expertise on ESG issues.

We will seek to understand the decision-making process and how conflicts are resolved between investment decisions and ESG parameters. The detailed understanding of the investment process and how the fund manager monitors compliance is a key part of the fund selection process.

## **Engage**

We ensure that the funds we assess engage with their underlying companies and exercise their right to vote at shareholder meetings. While a constructive dialogue with underlying company boards is important, the fund manager must be prepared to sell a position if a company fails to engage. We expect fund managers to provide records of their engagement efforts. This final step ensures that the ongoing struggle to improve standards is not a one-off box ticking exercise. Fund Review Process We engage in a quarterly review of all our fund holdings and seek clarification on ESG concerns and underlying portfolio holdings. Our well researched review of the investment process, fund holdings and trading activity helps us understand the continued suitability of each fund. We monitor fund manager turnover, fund

flows, hiring decisions and the use of external data sources. Fixed Income the ESG investment universe is expanding quickly, and we are pleased to see a growing list of fixed income products on offer. The UK government and several European countries have announced plans to issue green bonds over the coming years. While we wait for the roll-out of these programmes, we maintain an exposure to government bonds from non-sanctioned (UK Treasury and Department of International Trade) issuing countries for diversification purposes. We believe our uncomplicated and disciplined ESG investment proposition makes us a trustworthy partner for your client's investment goals.



# Albemarle Street Partners Outcomes

## Summary of Outcomes

### Products and services

Governance is in place from the inception of a new portfolio idea through to its launch and distribution to clients. Should Albemarle Street Partners determine that a widespread need exists a new portfolio range may be launched.

Should the need be specific to the particular financial advice firm a product will be considered under co-manufacturing arrangements. The client need is then used as a basis to consider how a portfolio and the investments within it can be designed to achieve the objectives of that client and others with a similar need.

Given the fact that some of our clients could be deemed to be in a co-manufacturing arrangement with Albemarle in certain specific circumstances we ensure that there is a shared understanding of the parameters for each portfolio with a signed specific mandate agreement by both parties. We meet regularly with each professional advisory firm in which we are in a co-manufacturing arrangements through joint investment committees which review the performance, price and value of the portfolios. In this context the target market information is also formally reviewed to ensure consistency. We believe this is a key action to mitigate potential client harm.

As part of our regular governance, we examine whether the ESG objectives of relevant portfolios have been met through a process of requesting information from underlying funds that form a part of these portfolio annually. This information is then cross-referenced against the agreed ESG policy which is actively shared with the professional advisers.

Our review of value for money includes looking through to the underlying costs of third-party funds used within portfolios to examine the persistency with which they have beaten cheaper index-based alternatives. We also communicate clearly with professional advisers about the relative advantages and disadvantages of platforms on which we operate, with key consideration given to the aspects of value on these platforms that are most directly related to the investment management function. For example, this includes the way fees are charged and the time out of the market during portfolio re-balances and changes.

Albemarle identifies the target market at a sufficiently granular level, considering the characteristics, risk profile, complexity and nature of the product or service. All the fund factsheets under 'Key Facts' carry a target market and distribution strategy disclaimer to identify who this product maybe suitable for example "The Fund is aimed at advised & discretionary market investors over the long term who have the capacity to tolerate a loss of the entire capital invested or the initial amount." And therefore, any client not meeting this requirement the product may not be suitable for.

Whilst the team do not have contact with the end user, consideration has been given to vulnerable clients within the target market. This is achieved through the target market information shared with professional advisers. Albemarle takes some comfort that the professional adviser will identify vulnerable clients and deal with them appropriately. It considers it important to assess whether there is a foreseeable harm for vulnerable clients within any of our portfolios and disclose this to the professional adviser.

Given the scrutiny of our governance processes outlined above, we deem our portfolios to satisfy the Governance of Products and Services outcome.

### Price and value

Investors in the portfolio receive institutional-level investment management and service from the Albemarle team. The fact that we have retained assets within the portfolio over its life demonstrates that the quality of service is high. We consider that we add value in a number of ways. Firstly, by driving down the cost of portfolios whilst still achieving the outcomes that our clients seek. This is achieved through the active selection of the best-value investment funds, a forensic focus on the additional costs that might be inherent in some investments and ensuring that our own charges remain competitive. However, we also believe we can drive value through ensuring that investors better understand the portfolios in which they invest and are equipped to understand changing market conditions. Our efforts to create clear communications in conjunction with the professional advisers enables them to communicate more clearly with the end client, increasing the likelihood that expectations are aligned with outcomes. We review these communications annually with professional advisers and in particular question whether the adviser has appropriate information to communicate our service to the end client and those with any particular vulnerability. We actively engage with our professional advisers through training sessions and in 2025 are placing a particular focus on educating clients about a holistic approach to understanding client vulnerability.

We actively work with third-party ratings agencies that assess our service, risk profiling and overall proposition. We provide the outcomes of this engagement and the ratings provided by firms such as Defaqto, Distribution Technologies, Dynamic Planner and EValue to our professional advisers.



We ensure that portfolios remain in line with agreed parameters through a number of systems.

Firstly, we review performance, portfolio volatility and cost during quarterly meetings with financial advisers. Secondly, we meet monthly in our internal investment committee where we review amongst other things how consistently outcomes are being achieved for given levels of risk across our business and when compared to competitors. Thirdly, whenever creating a new portfolio we clearly establish the parameters of the portfolio through a request for proposal document. This is then translated onto a monthly factsheet for each portfolio which is shared with the professional adviser.

The table on page 11 details the services provided, and a gap analysis compared to our competitors. These services benefit our direct clients, the professional advisers and adds value to our overall proposition.

We are confident that the high level of communication and service delivered to firms of financial advisers significantly aids the value for money we deliver for our clients to a level well above industry norms.

### **Integration of multi-asset funds in Model Portfolio Services**

Effective from 9 December 2024, Atlantic House Investments (Albemarle Street Partners), assumed the role of investment adviser to three multi-asset funds, known as the Prima Funds. These are Prima Cautious Fund, Prima Balanced Fund and Prima Adventurous Fund. As part of our commitment to enhanced diversification, we have incorporated Prima funds into our portfolio strategy.

Key aspects of the Prima fund integration:

- » No additional management fees for ASP Managed Portfolio Services clients earned by AHI
- » No increase in portfolio costs
- » Access to exchange-traded funds and commodities in a cost-effective manner
- » Enhanced ability to target specific market factors
- » Improved tactical response capabilities to changing market conditions The Prima funds complement our MPS offering by:
  - » Maintaining specific risk profiles designed for client groups
  - » Providing complete portfolio transparency
  - » Preserving adviser control over holdings for tax management
  - » Enhancing diversification through broader instrument access

### **Comparing to passive multi-asset funds**

When building a benchmark of passive multi-asset funds, we must consider the involvement of a retail investor. Generalisations must be made when doing this to achieve the most consistent outcome for a broad market of retail clients. Therefore, we have made the following decisions for the construction of these benchmarks:

1. Portfolios are equally weighted between passive instruments available in the market with no preference to one manager or fund
2. Portfolios are rebalanced 1st working day of every calendar year to avoid significant portfolio drift

When assessing an appropriate Value for Money benchmark for each risk mandated risk profile, we chose to include the relevant multi asset funds with their weightings based on the following:

1. Asset allocation
2. FE risk score
3. Historical consistency - i.e. has the fund always had the current objective and can it be proven that this has been adhered to

The available fund universe is then combined to create a portfolio of comparable risk / return objectives equal to the portfolio in which clients are invested through ASPIM.

Based on the above metrics, we deem our products and services to satisfy the Price and Value outcome.

## **Consumer understanding**

In advance of a professional adviser investing in a portfolio they are provided with a factsheet and clear target market information. They are generally also provided with presentations setting out the investment approach of the portfolio.

Albemarle makes available monthly Factsheets through a digital portal which each professional adviser is enrolled into at the point that agency is established with the professional adviser on a platform. The Factsheets explain the product, risks and associated costs and performance.

Albemarle also monitors complaints, any complaints received relating to the clarity of the communication is fed back to the Marketing team.

All Albemarle communications are reviewed and approved by Compliance and is aimed at the professional adviser who should explain the Factsheets to retail clients including any identified vulnerable clients and deal with them appropriately.

The professional advisers we work with receive regular and detailed communications to assist the retail clients understanding of their investment portfolios. We deem this to satisfy the Consumer Understanding outcome.

## **Consumer support**

Whilst we do not have direct contact with the end user, we do provide specialised support to the Professional IFA and DFM market who principally buy the funds for the use of their underlying client. We have considered sources of foreseeable harm when creating and monitoring our portfolios.

There is a complaints process in place to raise any expressions of dissatisfaction and to ensure appropriate redress. Furthermore, any complaints raised looks at the root cause and is fed back to management for any learnings e.g., changes needed to the product design, communication or charging structure.

In addition, there's a dedicated distribution team who are equipped to deal with most queries. Overall, there's a good level of support provided to professional advisers. We deem the support available to satisfy the Consumer Support outcome.

## **Client Vulnerability**

While we do not have direct responsibility for assessing the vulnerability of clients invested in our MPS, we do request that advisers confirm that they have all the information they require from us when discussing our services with clients who are considered vulnerable. These are recorded when we perform our Information Requests every six months.

## **Target Market**

Client: Retail, Professional, Counterparty

Suitable for: Investors who tolerate a loss of the entire investment or initial amount

Clients Objectives and Needs:

- Investment Term – Long

- Investment Objective – Appreciation and drawdown investing objectives apply to different portfolios

- Liquidity – Requires the possibility to exit the investment early

- Additional Criteria – Investment and portfolio diversification

Negative Target Market:

- Investors with no tolerance for loss in their investment or initial amount Short term investors

## **Monitoring**

Albemarle will monitor the effectiveness of the outcomes on a regular basis by reviewing, at least annually, this fair value assessment, and requesting information using a template, from the Professional Advisers in relation to products and services to ascertain they have met the identified needs, characteristics and objectives of the target market, including any identified for customers with characteristics of vulnerability, distribution strategy remains appropriate for the target market and products or services have been distributed to customers in the target market.

