



# Managed Portfolio Service

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“We are increasingly seeing advisers tailoring the investment proposition to meet clients’ needs. Our Managed Portfolio Service (MPS) offers a comprehensive risk based investment solution to meet those wide variety of needs.”

**Darren Ripton**  
Head of Investments

# Managed Portfolio Service

Our Managed Portfolio Service (MPS) is a comprehensive platform-based investment solution that offers a choice of five risk-rated portfolios across three distinct investment approaches.

- **Conventional Return** – invests in traditional asset classes like equities and bonds, and aims to deliver income, growth or both
- **Target Return** – aims to deliver specific, targeted returns, using sophisticated investment techniques such as relative-value strategies and derivatives
- **Enhanced Diversification** – bringing together our most innovative and diverse capabilities. It offers greater diversification, a wider range of investment strategies and higher levels of return-seeking risk

MPS provides investors access to institutional investment expertise and research capabilities. The portfolios are managed on an ongoing basis by Aberdeen Standard Capital (ASC), using the same strategies that we employ for our full discretionary service.

In managing the portfolios, we have access to the investment capabilities of the Multi-Asset Investment team at Aberdeen Standard Investments (ASI). We are fully responsible for managing the portfolios in accordance with the agreed objectives and risk profile.

In addition, we offer Sustainable MPS and Tailored MPS solutions. You can find further details on these on our website or from our Business Development Managers.

## Why choose MPS?

Our full range offers access to one of the most comprehensive managed portfolio services on the market. We aim to make investing in our MPS as simple and transparent as possible.

- The convenient and low-cost nature of MPS makes it suitable for a wide range of investors.
- Regardless of the investment approach selected, all clients benefit from the same rigorous portfolio construction and dynamic asset allocation process.
- It offers best-in-class expertise across a broad spectrum of risk.
- Ongoing rebalancing means the portfolios never drift from clients' chosen risk level.
- It's managed on a discretionary basis, allowing us to remain flexible and respond quickly to changing market conditions.
- All MPS portfolios are widely diversified and combine exposure to the expertise of ASC and ASI\* with that of external fund managers.<sup>1</sup>
- Fund selection uses a blend of active and passive options, dependent on the Investment Team's view of which asset classes and managers have the potential to outperform passive, lower-cost solutions.
- A transparent charging structure, with no hidden charges or transaction fees, allowing investors to understand exactly what they are paying for.
- Has the maximum 5-star rating from Defaqto for 2021.

<sup>1</sup> Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. Aberdeen Standard Capital is part of the Standard Life Investments group.

# Finding the right MPS Solution

Choosing which MPS is right for your clients is straightforward.

## 1. Select an investment approach



### Conventional

Exposure to a well-diversified mix of equities, bonds, property and alternatives.

Offers the potential for growth or income.

Higher-risk portfolios aim to achieve capital growth for investors who are comfortable with a significant degree of volatility.

Lower-risk portfolios invest partially in income-paying assets, so suitable for investors looking to draw natural income from their investments while retaining some potential for capital growth.



### Target Return

Volatility managed portfolios that aim to preserve capital while generating growth.

Can help to manage the effects of market volatility to provide returns that are smoother than traditional balanced or equity funds.

May be suitable for investors who want to draw an income from their portfolio capital.

A solution for clients who are uncomfortable with high exposure to more volatile investments such as equities.

Draws on three drivers of returns and diversification.

- Traditional drivers such as equities, fixed income, infrastructure and property.
- Alternative drivers to expand and enhance our return and diversification potential.
- Volatility management helps emphasise risk mitigation and smoothing of returns.



### Enhanced Diversification

Our award-winning enhanced diversification<sup>2</sup> approach can help dampen volatility to make clients' investment journey more predictable.

Blends traditional growth and income asset classes, such as equities, bonds and property, with alternative investments.

Alternatives exposure is through listed investment companies and includes infrastructure projects and renewable energy, as well as real estate investment trusts (REITs) and commodities.

We can take views on other key market drivers such as interest rates, inflation, volatility and currencies.

Ability to take both 'long' and 'short' positions in the portfolios, through 'relative-value' strategies, allowing us to target positive returns irrespective of market movements.

Aims to protect on the downside, when markets are falling, while simultaneously offering broad market exposure to capture upside performance.

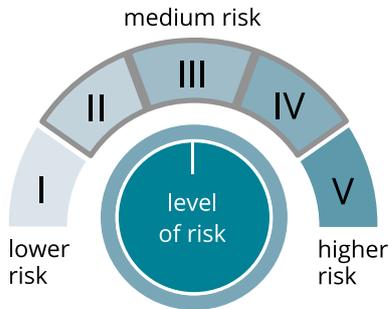
These are guidelines only. Portfolio characteristics will vary with the risk level chosen, and suitability will vary with each client's specific circumstances and needs. Performance is not guaranteed. The value of investments can go down as well as up and investors may get back less than they invested.

<sup>2</sup> PAM Awards 2020 Winner: Innovation category for the development of our Enhanced Diversification proposition.

## 2. Choose the appropriate risk level

Each MPS approach offers five risk levels, so there is a suitable option for most clients – from the most conservative to those willing to accept higher risk for potentially more reward.

Clients can be assured that whichever portfolio they choose, it won't move above its risk level.

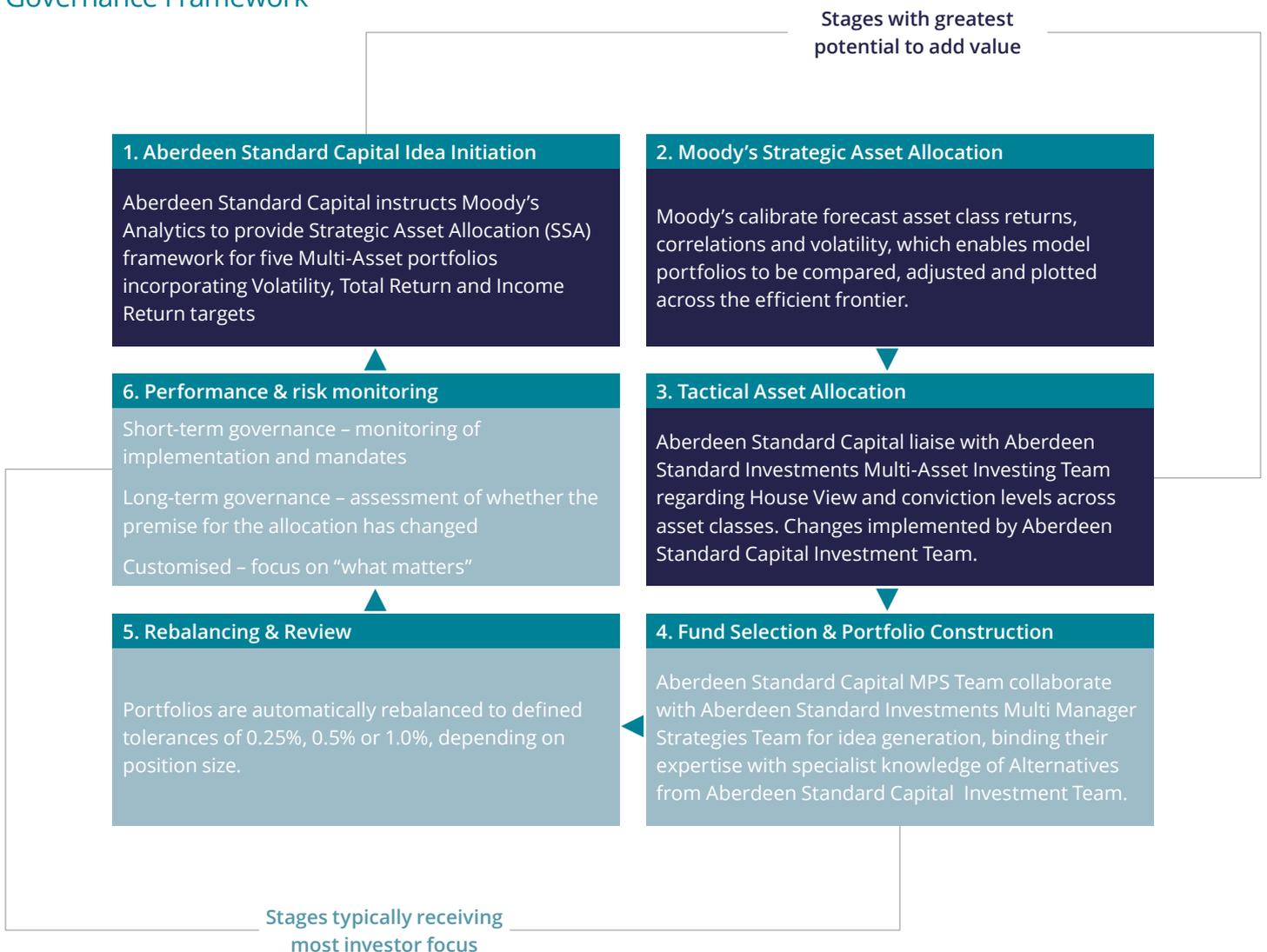


## 3. Let us do the rest

We follow the same six key steps when building all the MPS portfolios, within a robust governance framework.

“Regardless of the investment approach selected, all clients benefit from the same rigorous portfolio construction and dynamic asset allocation process.”

## Governance Framework



From here, if a client chooses to invest in Target Return or Enhanced Diversification MPS, we can then draw on additional dynamic levers and sources of return to help deliver clients' desired outcomes.

For Target Return MPS, we focus on three drivers of return and diversification, alongside meticulous fund selection.

### Asset Allocation

Our Target Return approach seeks to deliver on client goals by drawing on three drivers of returns and diversification;

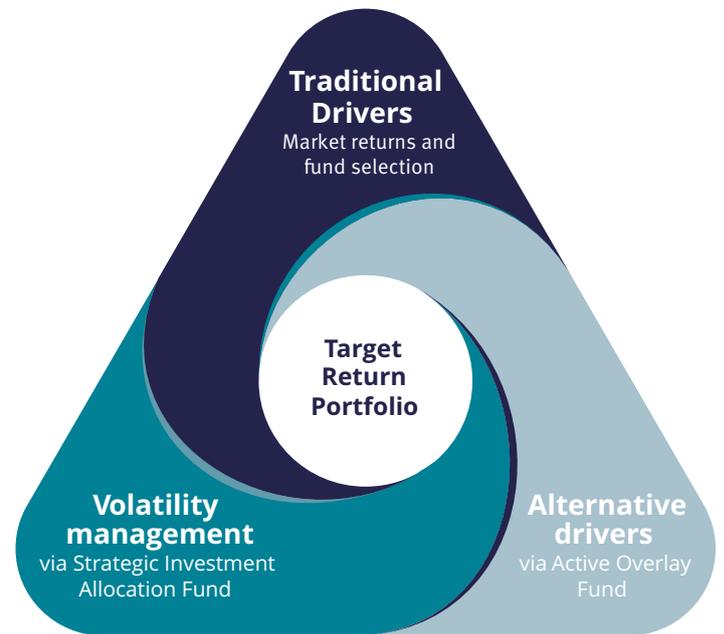
**Traditional drivers** such as equities, fixed income, infrastructure and property provide exposure to a range of assets we think are attractive over the long term. These are implemented via best of breed funds.

**Alternative drivers** provide means of expanding and enhancing our return and diversification potential beyond traditional asset classes. These are implemented via the Standard Life Investments Active Overlay Fund, managed exclusively on our behalf by the ASI Multi Asset Investment Team.

**Volatility management** allows us to alter the return profile of traditional assets, placing emphasis on risk mitigation and smoothing of returns. This is achieved via combining the Standard Life Investments Strategic Investment Allocation Fund with the traditional assets within the portfolio. This Fund is managed exclusively on our behalf by the ASI Multi Asset Investment Team.



### We focus on three drivers of returns and diversification



### Fund selection

Fund selection is managed by Aberdeen Standard Capital's investment team who combine their insights from face-to-face meetings with leading fund managers with research from Aberdeen Standard Investments Multi-Manager Solutions Team.

For Enhanced Diversification MPS, we blend traditional growth and income asset classes, such as equities, bonds and property, with alternative investments like infrastructure. We can also take views on currencies, inflation and interest rates, as well as employ relative-value strategies. By maximising diversification in this way, among and across a broad range of asset classes and investment strategies, we aim to manage risk more effectively.

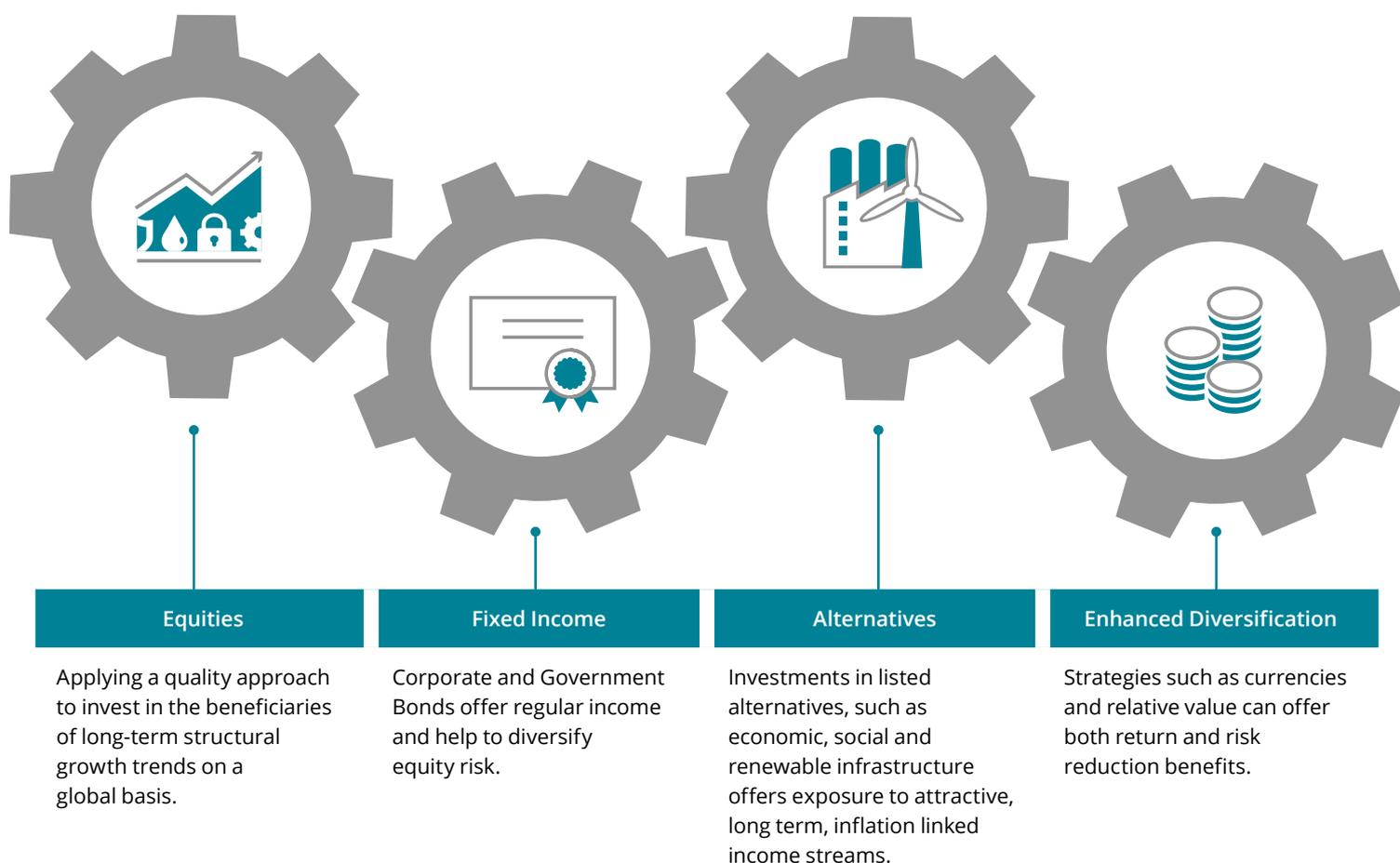
### Enhanced Diversification Portfolios

- Focus on understanding the **relationships** between investments
- Blend investments based on **risk characteristics** relative to other positions
- Regular **scenario and risk analysis** on portfolios

### Powering portfolios

#### MPS Enhanced Diversification range

- Freedom in idea generation
- Ideas can be short, medium or long-term
- Ideas can relate to the global economy or individual companies



## Who manages the MPS portfolios

The responsibility for the MPS portfolios lies with four investment managers from the ASC investment team – Darren Ripton, Eric Louw, Jason Day and Emmanuel Andoh-Dadzie. Between them, they have over 65 years' investment experience.

Darren assumed responsibility for the day-to-day investment process within Aberdeen Standard Capital in 2009, after joining the company in 2007 as a Client Portfolio Manager. He has helped develop the fund selection and portfolio construction process that is used by the business. He has 20+ years' investment experience, seven of which were spent managing discretionary mandates with ABN Amro Private Bank. He is a Chartered Member of the Chartered Institute for Securities & Investment and holds a BSc from the University of Hertfordshire.

Jason joined Standard Life Investments in 2011 as a senior analyst in the fund solutions team. In 2013 he was appointed as a senior investment manager for Aberdeen Standard Capital and is lead manager on the Conventional and Tailored Managed Portfolio Services, a range of risk-targeted model portfolios. He has 25 years' experience of fund selection, asset allocation and portfolio construction. Prior to joining SLI was responsible for the development, launch and management of a multi-asset class, multi-manager vehicle for Allenbridge Group plc.

Eric has over 13 years' investment experience and joined Aberdeen Standard Capital in September 2007. Prior to joining, Eric worked at UBS Wealth Management and ABN Amro Private Bank. Eric holds a Bachelor of Commerce degree from University of Stellenbosch as well as post-graduate degrees in Financial Accounting and Financial Analysis & Portfolio Management. He holds the Investment Management Certificate and is a CFA Charterholder.

Emmanuel is an Investment Manager working on the discretionary management of multi-asset model portfolios and also leads on Alternatives research. He joined Aberdeen Standard Capital in 2012. Emmanuel holds a BSc (Hons) in Economics and is a CFA Charterholder. He also holds the Chartered Alternative Investment Analyst (CAIA) designation as well as the Investment Management Certificate (IMC).



**Darren Ripton**



**Jason Day**



**Eric Louw**



**Emmanuel Andoh-Dadzie**

# Why choose Aberdeen Standard Capital?

By investing with ASC, clients have access to quality investment solutions and global capabilities.

As the discretionary investment arm of ASI, we are in the unique position of being able to combine its vast research and resources with our own portfolio management expertise and analysis. This allows us to offer institutional-quality investment management capabilities that are not usually available to private clients. Exceptional research coverage allows us to scour the globe for the most compelling opportunities to include in our portfolios.

Our vision is to invest for a better future – everything we do is focused on generating the best long-term investment outcomes for clients. This includes the integration of ESG factors, which are embedded into our decision-making process for all portfolios. This helps us assess the risks and the quality of holdings more effectively. Every one of our clients benefits from this approach.

## Top rated capabilities

Demonstrating the effectiveness of our ESG integration processes, we were awarded Best ESG Wealth Manager/DFM Group at the Investment Week Sustainable & ESG Investment Awards 2019. Our Enhanced Diversification solution also took home the PAM award for Innovation in 2020. Defaqto, meanwhile, rates our MPS portfolios 5-stars and our service levels Gold.



Investment involves risk. The value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a guide to future results.

To find out more about our services  
please speak to your local Aberdeen Standard  
Capital representative.

Visit us online  
[aberdeenstandardcapital.com](http://aberdeenstandardcapital.com)

Email us  
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