

This document is intended for use by a client who has received advice on investing in this managed portfolio service. It is not for use by non-advised investors or any other third party. For full important information and key risks, please refer to the end of this document.

Managed Portfolio Service

Client Guide

abrdn.com



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Introduction



Firstly, we would like to thank you and your financial planner for considering our managed portfolio service as a home for your savings.

The purpose of our business and our team is to put our strengths to work for you - because we know your savings represent more than just money. They could be:

- The proceeds from a lifetime of work.
- The reward from selling your business.
- An inheritance from a loved one.
- Financial security for you and your family.
- Providing the retirement you want.

Our aim is to deliver consistent returns, leveraging our global, institutional investment capabilities within a portfolio that's designed to realise your objectives, protect what your savings might represent and bring your future dreams to life.

Built on solid investment foundations

The discretionary investment team, dedicated to managing abrdn MPS ranges, are focused on providing the best possible financial outcomes for our investors. As part of the abrdn Group, we benefit from an extensive heritage stretching back over 200 years.

We're in the rare position of being able to combine our portfolio management expertise and analysis with the global investment research capabilities and expertise of the wider abrdn business.

abrdn

abrdn plc is a global investment company that helps clients and customers plan, save and invest for the future. We manage and administer £506bn of assets on behalf of our clients (as at 30 June 2024). Structured around three businesses - Investments, Adviser and interactive investor, we are focused on the changing needs of our clients.

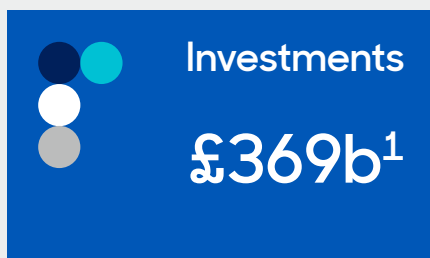
MPS by abrdn

abrdn Portfolio Solutions Limited is the discretionary investment manager in the abrdn Group that operates the Managed Portfolio Service (MPS). abrdn's Managed Portfolio Service (MPS) is a tailored investment solution crafted for retail investors who, under the guidance of their financial adviser, seek a discretionary managed portfolio that aligns seamlessly with their specific investment goals and needs.

"We give you the capabilities of an institutional investor with the service of a boutique."

abrdn plc

A global investment company helping clients and customers plan, save and invest for the future.



¹ Assets Under Management.

² Assets Under Management and Administration.

³ £2.5bn abrdn MPS AUM is included in Adviser £74bn Assets Under Management and Administration figure.

Choosing an investment partner you can trust

We believe that financial planning and investment management are two distinct disciplines, which require different skill sets and resources. We believe that before investing your capital, you should first invest in financial planning. This means engaging the services of an adviser who, based on your circumstances, objectives and priorities, will work closely with you to build a personalised investment strategy that reflects your individual needs, goals and values.

Once you and your adviser have agreed on a plan, you're going to need a reliable investment partner to help drive the returns needed to successfully power the plan, within the appropriate risk parameters.

Here to help you invest for your future

Our MPS investment team has a proud history of working with financial advisers to help deliver excellent outcomes for clients. In fact, abrdn MPS ranges are only available to you via your Financial Adviser.

Once you and your adviser have made that decision, your adviser can access our global investment expertise and market-leading Managed Portfolio Service to help you plan, save and invest in the right way for your future.

"Making the right decisions with your money now will give you confidence that you have the right financial plans in place to achieve your goals."

What's important



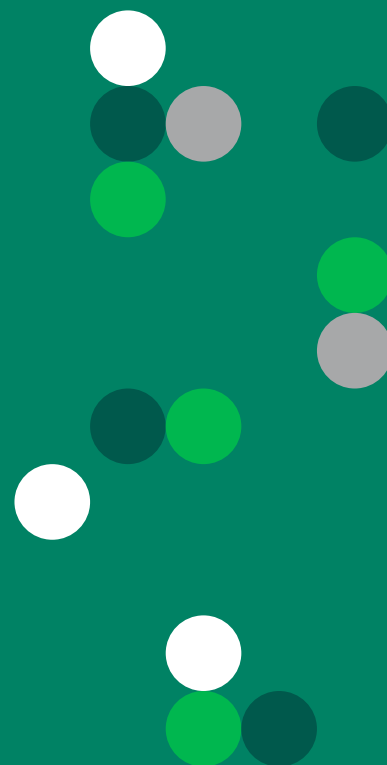
Your objectives and priorities



Your bespoke financial plan



A trusted and reliable investment partner



Deciding which investment managers to work with isn't a decision that financial planners and advisers take lightly. They'll undertake thorough due diligence to make sure that the discretionary manager they select is the right one to be trusted with their clients' money.

Your adviser will have given significant consideration to the decision to work with us, to make sure that we're the best investment manager to help you meet your needs and objectives. They'll be satisfied that we're an investment manager you can trust and that we can achieve what's needed to deliver what's important to you. They'll also be confident that we can provide the outcomes you need.

Our investment approach

At abrdn, we have a clearly defined investment policy and devote significant resources to making sure it's consistently delivered and continuously developed. Our investment solutions are managed by an experienced, professional investment team on a discretionary basis – that means they're able to make routine changes and rebalances to each portfolio based on their expert opinion and judgement. They'll constantly review the portfolio's investments and can act quickly if they need to.

When it comes to important investment decisions, working with experienced and objective professionals reduces the risk of the behavioural mistakes that individual investors typically make. As well as avoiding common investment pitfalls, it allows your adviser to focus more time and resource on your overall financial plan and your goals.



This analysis covers many aspects including



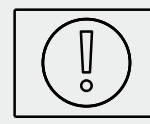
Financial strength



Quality of investment process



Breadth of choice



Risk management



Investment performance



Value for money



Multi-asset investing made easy

Our aim is to make investing easier and more accessible, and free up time for your adviser to focus on you and your financial plan. Our MPS is designed to help your adviser manage your financial affairs in the most efficient way possible.

Here's how it works:

We offer four ranges of solutions within our Managed Portfolio Service

Within each of our four MPS ranges, we offer portfolios that have been constructed to meet different investment goals. Each portfolio uses a different blend of assets that perform within different risk levels – so there's something to suit most investors.

Your adviser will choose the right MPS solution for you

Your adviser will work with you to determine what's important to you, your future objectives, your attitude to risk and how you feel about the potential for losses in return for potentially larger gains. Nobody knows your needs and preferences better than your adviser, so they'll recommend the right MPS solution based on your goals, values and attitude to risk.

Your adviser will invest your money

Once your adviser has chosen the right MPS solution for you, they'll invest your money in the chosen portfolio.

Our experts will look after the ongoing management of the portfolio

In managing the portfolio you're invested in, our experts' single focus is to monitor and respond to market events and changing economic conditions. They'll make any changes they think are necessary to keep the portfolio on track in terms of delivering its objectives and performing within your chosen level of risk.



Why choose abrdrn's Managed Portfolio Service

Price and value

We know that price and value are really important. We are proud to be one of the most competitively priced managed portfolio service providers in the market, and with the size and scale of the abrdrn Group behind us, we are able to negotiate and access discounted investment funds wherever possible.

This means more of your money stays invested and less is paid in charges.

Proposition

Our proposition starts with what's most important to you - whether that's the best ideas from the whole of market, price, sustainability of a blend of all. With this in mind, and leveraging the global, institutional investment engine of our parent company, we build and run a range of portfolios across different risk levels.

This means your adviser can select a portfolio that's aligned to the style and priorities set out in the financial plan they have designed for you.

Process

We provide strategic asset allocation, tactical asset allocation, whole of market fund selection, quarterly re-balancing, risk oversight and governance.

This means your investments are managed in line with a process that's robust, repeatable and dependable.

People

The abrdrn MPS range is run in collaboration with teams across the abrdrn Group, including:

- The abrdrn Modeling & Analytics Team
- The abrdrn Multi-Asset Investment Fund Selection Team
- The abrdrn Global Macro Research Team
- The abrdrn Portfolio Solutions Investment Management Team

This means you can feel confident that your savings are in capable hands, managed by a team of over 50 seasoned experts dedicated to safeguarding your financial wellbeing.



Our MPS solutions

We offer 4 ranges of solutions within our Managed Portfolio Service and a stand-alone Money Market MPS portfolio.

abrdn MPS range

Our core portfolio range, capturing our best ideas through a blend of active and index tracking funds

The abrdn MPS range aims to achieve a total return over the long term, from both income and capital growth, through five diversified portfolios of collective investment funds. The range is intended for investors with a very low through to a medium high attitude to risk. Each of the five portfolios invests in a wide variety of assets, via funds that in turn invest in equities, fixed interest, alternatives and money markets. This blend of assets should help to dampen down volatility over the long term.

abrdn Index MPS

Our best ideas captured in a low cost index tracking portfolio range

The abrdn Index MPS range aims to achieve a total return over the long term, from both income and capital growth, through a diversified portfolio of collective investment funds. It is intended for investors with a very low through to a medium high attitude to risk. The portfolios invest in a wide variety of assets, via funds, that in turn invest in equities, fixed interest, alternatives and money markets. This blend of assets should help to dampen down volatility over the long term.

abrdn index funds are predominantly utilised as asset class building blocks within this portfolio range

abrdn Sustainable MPS

Our best investment ideas incorporating sustainable investment themes into portfolios

The abrdn Sustainable MPS range aims to achieve a total return over the long term, from both income and capital growth, for each of the 5 diversified portfolios of collective investment funds. This range focuses on ethical, enhanced ESG, sustainable and impact funds in addition to other assets held for diversification purposes and is intended for investors with a very low through to a medium high attitude to risk. The portfolios invest in a wide variety of assets via funds that in turn invest in equities, fixed interest, alternatives and money markets. This blend of assets should help to dampen down volatility over the long term.

Read more about what we mean by sustainable Investing for this range

abrdn Sustainable Index MPS

Our portfolio range of best index tracking investment ideas incorporating sustainable, ethical and other investment themes

The abrdn Sustainable Index MPS range aims to achieve a total return over the long term, from both income and capital growth, for each of the 5 diversified portfolios of collective investment funds. This range focuses on ethical, enhanced ESG and sustainable index-tracker funds in addition to other assets held for diversification purposes and is intended for investors with a very low through to a medium high attitude to risk. The portfolios invest in a wide variety of assets via funds that in turn invest in equities, fixed interest, alternatives and money markets. This blend of assets should help to dampen down volatility over the long term.

Read more about what we mean by sustainable Investing for this range

abrdn Money Market MPS Portfolio

A stand-alone managed portfolio of money-market funds, offering a low risk alternative to cash deposits.

Investment objective

To preserve capital and provide liquidity whilst aiming to provide a return in line with prevailing short term money market rates (gross of fees), for which SONIA has been chosen as a performance comparator.

- Affords your adviser increased flexibility to manage your assets within the relevant tax wrapper.
- Aims to provide a return that's closely aligned to the Bank of England base rate (before fees).
- Wholly invested in open-ended money market funds.
- Rigorous due diligence of fund managers' investment approach.

You and your adviser will work together to identify which MPS solution is right for your specific needs. It's a simple and straightforward process.

Your financial adviser will provide you with the latest factsheet for the portfolio recommended, which should be read in conjunction with this guide.

Choice of risk levels

Each of our MPS solutions offers five risk-rated portfolios, from level one being the least risky to level five being the most risky.

Based on the risk that you're comfortable taking and the outcomes targeted in your financial plan, your adviser will select an investment approach that's right for you, your circumstances and your timescale, and which has the potential to deliver your plan's specific outcomes. For example, you might be a conservative investor looking to invest in less risky assets. Or you might be willing to accept more risk in exchange for a bigger potential reward.

What do the portfolios invest in?

Each portfolio includes a wide range of fund investments, which, in turn, invest in shares, bonds and alternatives from different types of companies and from different countries.

Diversifying in this way can help reduce the impact of short-term market ups and downs, and therefore aims to provide smoother long-term returns.

The level of risk is determined by the mix of assets in each portfolio.

A range of risk rated portfolios	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5
Risk rated portfolios allow your financial adviser to select the investment approach that's right for you	Investors with a very low attitude to risk	Investors with a low attitude to risk	Investors with a medium low attitude to risk	Investors with a medium attitude to risk	Investors with a medium high attitude to risk



For more details of the risks which apply to each MPS portfolio, speak to your adviser. We haven't considered the suitability of investing against your individual needs and risk tolerance.

"We use the knowledge, experience and research you'd expect from a global investment manager to build a range of portfolios to power financial plans."



As we've already mentioned, each of our MPS solutions offers five risk-rated portfolios.

What is strategic asset allocation?

Strategic asset allocation (SAA) is choosing the right long-term mix of investments to achieve each portfolio's objectives. The mix of assets used in each portfolio will vary depending on its objectives and risk level.

What is tactical asset allocation?

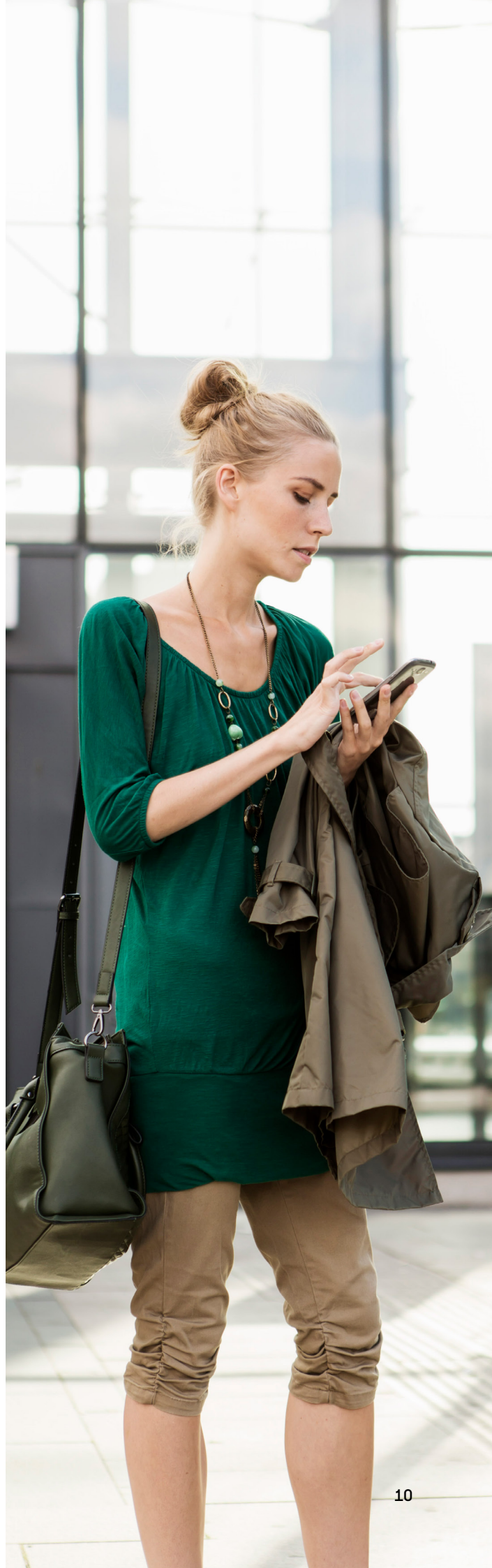
Tactical asset allocation involves choosing which investments to favour over the short term. The goal is to maximise your portfolio's performance and create extra value by taking advantage of market conditions.

What is active investing?

Active investing is an approach which aims to beat the average returns of a market or other benchmark, and take full advantage of short-term price fluctuations. This approach needs a portfolio manager with access to in-depth analysis and the expertise to know when to move in or out of a particular asset.

What is passive investing?

Passive investing is an approach which aims to track rather than beat the performance of a specific market or benchmark, and tends to be a very cost-effective way to invest. An example of a passive approach is a fund that follows one of the major indices, such as the FTSE@ 100 Index. Whenever the FTSE@ 100 changes its holdings, the fund will automatically switch its holdings to reflect the changes. If you choose this approach, you should be aware that returns will follow the movement of the index up and down, sometimes significantly in the case of higher risk portfolios.



Important Information

This document is strictly for information purposes and should not be considered as an offer, investment recommendation or solicitation to deal in any of the investments mentioned herein. abrDN does not warrant the accuracy, adequacy or completeness of the information and materials contained in this document and expressly disclaim liability for errors or omissions in such information and materials. No part of this document may be copied or duplicated in any form or by any means or redistributed without the written consent of abrDN.

This document does not provide individually tailored advice. It has been prepared without regard to individual financial circumstances and objectives of persons who receive it. We recommend that investors seek the advice of a financial adviser. The appropriateness of a particular portfolio will depend on an investor's individual circumstances and objectives.

Investors should remember that the value of investments and the income from them can go down as well as up and that past performance is not a guarantee of future returns.

Risks

All investments involve risk. The risks of some of the funds may be comparatively high. The risk descriptions below correspond to the main risk factors for each fund within models. "General Risks" mostly apply to all funds within the model. A fund could potentially be affected by risks beyond those described in this document, nor are these risk descriptions themselves intended as exhaustive.

ESG Risk: It is important for investors to be clear that the interpretation of sustainable and ESG related criteria is subjective, meaning that the fund may invest in companies which do not align with the personal views of individual investors. There is no accepted and enforced universal definition of ESG or sustainability related terms, but we have set out here how these terms are used for this proposition range.

Credit risk: The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.

Interest rate risk: The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

Equity risk: The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

Emerging Markets risk: The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

Derivatives risk: The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.

High Yield Credit risk: The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.

EPM Techniques: Underlying funds may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

Inflation Risk: Where the income yield is lower than the rate of inflation, the real value of your investment will reduce over time.

Currency Risk: The portfolio may invest in assets which are denominated in currencies other than sterling, and where this exposure is unhedged, the performance of the portfolio may be affected by fluctuations in currency exchange rates.

Negative Yields Risk: If interest rates are very low or negative, this may have a negative impact on the performance of the portfolios.

Money Market & Deposits Risk: A failure of a deposit institution or an issuer of a money market instrument could have a negative impact on the performance of the portfolios.

Capital Risk: All capital invested is at risk. You may not get back some or all of your investment.

Liquidity risk: In difficult market conditions, the portfolio may not be able to sell a security for full value or at all. This could affect performance and could cause the portfolio to defer or suspend redemptions of its shares, meaning investors may not be able to have immediate access to their holdings.