

Passive MPS 6

As at 31 August 2023



Investment objective

AJ Bell Passive MPS 6 aims to make an average return substantially ahead of inflation (as measured by the consumer price index) over a period of at least five years. Over shorter periods the portfolio may suffer significant losses in capital value, as it invests in securities that can go both up and down in price, with large weights in emerging markets and high growth companies.

Investment approach

By spreading out the investments across regions, sectors and different types of assets, the portfolio aims to achieve its return objective whilst minimising price variation where possible. It does so by investing mainly in collective investments, such as index funds and ETFs. These products hold different types of securities such as cash and bonds and company shares.

The AJ Bell investments team uses in-house modelling to deliver a long-term approach that combines different assets. This aims to efficiently deliver returns without compromising investors' tolerance for risk.

Our focus on long-term investing helps minimise transaction costs, ensuring there is a minimal impact on the portfolio, however the asset allocation and selection is constantly monitored, and underlying holdings will be changed when appropriate.

Top 10 holdings (weight %)

| | |
|--|-------|
| HSBC MSCI Emerging Markets ETF | 24.00 |
| iShares Core FTSE 100 ETF | 19.00 |
| Vanguard S&P 500 ETF | 13.00 |
| iShares Core MSCI Emerging Markets IMI ETF | 12.00 |
| Invesco Global High Yield Corporate Bond ESG ETF | 7.00 |
| Vanguard Pacific ex-Japan Stock Index | 5.00 |
| Xtrackers S&P Europe ex-UK ETF | 5.00 |
| Vanguard FTSE 250 ETF | 4.00 |
| Franklin FTSE China ETF | 3.00 |
| iShares MSCI Target UK Real Estate ETF | 3.00 |

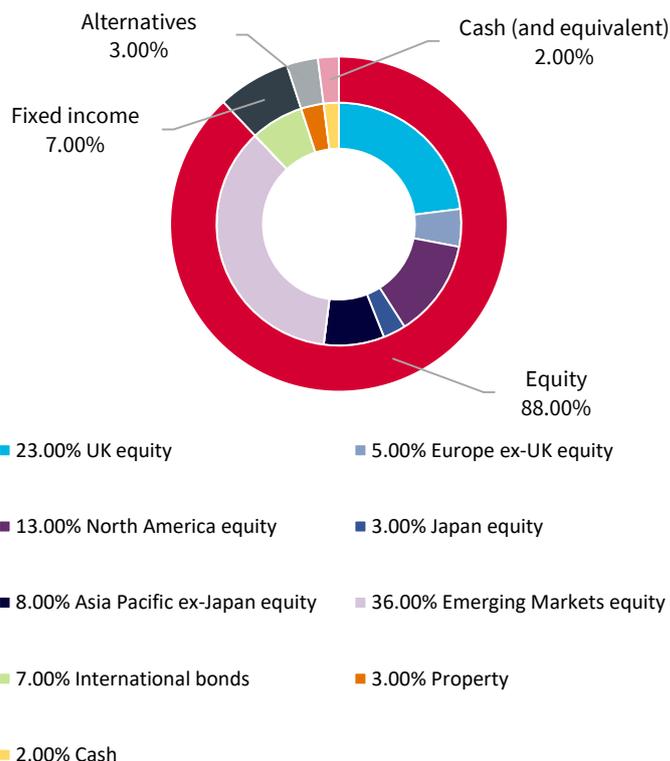
(2) Based on target weights at portfolio rebalance.

Risk profile⁽¹⁾

For investors who understand the risk and reward relationship of pure equity portfolios over the short, medium and long term. The portfolio invests in funds and exchange traded funds (ETFs), using defined strategic asset allocation to deliver returns while meeting the targeted level of risk.



Asset allocation⁽²⁾



Platform availability



Performance

| Discrete (%) | Aug 2022 - Aug 2023 | Aug 2021 - Aug 2022 | Aug 2020 - Aug 2021 | Aug 2019 - Aug 2020 | Aug 2018 - Aug 2019 |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Passive MPS 6 | 0.16 | 4.60 | 23.23 | 3.01 | 2.22 |
| IA Flexible Investment | 0.40 | -6.13 | 19.43 | 2.24 | 1.94 |
| IA Sector quartile | 3rd | 1st | 2nd | 2nd | 2nd |

(3) The above table shows the total return of the portfolio during each one-year time period stated.

| Cumulative (non-annualised %) | Aug 2022 - Aug 2023 | Aug 2021 - Aug 2023 | Aug 2020 - Aug 2023 | Aug 2019 - Aug 2023 | Aug 2018 - Aug 2023 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Passive MPS 6 | 0.16 | 4.77 | 29.11 | 33.00 | 35.95 |
| IA Flexible Investment | 0.40 | -5.76 | 12.55 | 15.07 | 17.30 |
| IA Sector quartile | 3rd | 1st | 1st | 1st | 1st |

(4) The above table shows the total return of the portfolio on a cumulative basis over the previous five years. This is taken from the most recent month end.



Source: Morningstar as at 31 August 2023.

Performance is calculated on a net of fees basis. Due to its multi-asset nature, no financial instrument or index represents a fair benchmark for the portfolio. However, to give context and enable an objective assessment of the portfolio's performance, the IA (Investment Association) Flexible Investment sector average is included for reference. The portfolio does not aim to track the IA sector as a benchmark.

Performance reflects the headline model and includes the underlying costs of the holdings and the annual investment management charge. It does not include any transaction costs that would have been incurred through rebalancing or changing any underlying holdings. This model was launched on 19 February 2018.

Fees and charges

| | |
|------------------------------|-------|
| Ongoing charges figure (OCF) | 0.29% |
| Transaction costs | 0.04% |
| Total indicative charge | 0.33% |

Ongoing Charges Figure (OCF) is inclusive of the AJ Bell Investments Annual Management Charge (fee of 0.15%) and the ongoing charges of underlying investments. MPS transaction costs reflect the aggregated transaction costs reported by underlying products. In some instances products may deploy pricing mechanisms which can result in negative costs. Additional costs will be incurred while using the MPS. These include (where applicable) product costs and dealing costs. Any charges payable to your financial adviser will apply in addition. There is no set minimum into the MPS, however, the structure of the underlying investments means that the portfolios work more efficiently for investments above a certain size. For the Passive MPS, this is around £20,000. It should be noted that the smaller the investment amount, the greater the impact of transaction costs will be on the investment.

Each portfolio has an expected level of risk, measured by volatility. This is a statistical measurement of how widely the returns of each portfolio is likely to vary from its average over time. This is measured on a forward looking basis and is used to help you understand the level of risk taken in each portfolio.

| | |
|---------------------|-----------------|
| Expected volatility | 14.70% - 16.80% |
|---------------------|-----------------|

Subject to regulatory requirements, the portfolio will normally remain fully invested. There is, however, no restriction on the underlying content of the investments held in terms of investment type and geographical or economic sector (other than those imposed by the regulations). This means that AJ Bell Investments can, at its own discretion, weight the portfolio towards any investment type or sector, including cash, at any time. For further details of all applicable costs, please speak to your financial adviser or visit www.investcentre.co.uk.

(1) The AJ Bell Managed Portfolio Service (MPS) have been risk mapped by independent risk profiling services. View our Risk Profiling Tools document on www.investcentre.co.uk/support/infocentre for further information on our risk profilers. The assigned risk profiles do not indicate a promise, forecast or illustration of future volatility or returns nor represent investment advice or a recommendation to buy or sell units/shares in a fund or portfolio.

Allocation and performance information contained in this document is representative of the standard Passive MPS 6 model held on AJ Bell Investcentre. The implementation of this model may vary when held via other platforms, for example, where access to certain share classes is restricted. This may lead to differences in allocation and performance.

! Past performance is not indicative of future performance. The value of investments may go down as well as up and the income generated by investments is not guaranteed and may fluctuate. You may receive back less than the amount that you invested.

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The information and data presented in this document were believed to be correct at the time of writing and we are not liable for any subsequent changes.

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