

Focusing on:

Tailored Discretionary Managed Service Consumer Duty Information

What is the Tailored Discretionary Managed Service?

This service provides clients with portfolios constructed in line with central views on asset allocation and stock selection, built to deliver consistent outcomes. Allowing us to manage your clients' portfolios helps you manage your time effectively, while also giving your clients the comfort and reassurance that their investments are actively managed within a robust investment framework that will deliver against their return requirements and risk profile. These are constructed as follows:

- The service delivers outcome focused, risk-adjusted portfolios based on central Research and asset allocation views.
- We design the asset allocation of each portfolio with great care. Fully aligned with our internal investment process, the asset allocation is derived from committee output determining the optimal long-term strategic asset allocation and ideal short-term adjustments.
- Our Research team run a thorough quantitative screening process with a qualitative committee review to identify high conviction direct equities to be included in portfolios. High-quality collective research covering the full active and passive universe is also considered and adhered to.
- Output of the asset allocation and stock selection run through an optimisation process targeting optimal risk-adjusted returns, while also considering diversification and cost to the client. The four total return portfolios are aligned with Dynamic Planner risk profiles 4-7.
- The portfolios can accommodate income or drawdown requirements and tax-efficient management, including managing across multiple account types, handling ISA subscriptions, and utilising Capital Gains Tax allowances where requested.

What is the Target Market?

This service is compatible with investors:

- i. who want an investment professional to manage their investments;
- ii. who choose to access the service through an adviser, or are direct clients of Charles Stanley;

- iii. who are Retail or Professional clients;
- iv. with basic knowledge or better of investment markets;
- v. who can remain invested ideally for at least five years;
- vi. whose expected financial returns will not be excessively impacted by this service's minimum charges and any other distribution charges in total (investment management fees, platform fees and adviser charges);
- vii. who can afford to be exposed to market movements in investment values and potential losses over the term of investment and who do not require guaranteed returns;
- viii. who require a growth portfolio with the capacity for tailoring to client investment requirements, and wish to match this with a professionally managed investment strategy;
- ix. have investment requirements beyond those of an MPS solution but falling short of those required for a fully bespoke service;
- x. value the relatively repeatable investment outcomes that can be achieved from tighter adherence to a central investment process;
- xi. who require their investment to be held in one or more of the standard wrapper types associated with investment platforms. For information on other account types, please ask your usual Charles Stanley contact.

Negative Target Market

This service is potentially incompatible with investors:

- i. who prefer to manage their own investments;
- ii. who are unlikely or unable to remain invested for five years as a minimum;
- iii. who require capital protection or guarantees underpinning their investment;
- iv. who have specific stock preferences or asset allocation preferences that the Tailored Discretionary Managed portfolios cannot meet;
- v. who have ESG or ethical preferences that the Tailored Discretionary Managed portfolios cannot meet; and
- vi. whose portfolio is of a size that would be adversely impacted by the service's minimum charges.

Clients with vulnerability characteristics

This service is compatible with clients who have vulnerability characteristics. Please contact your usual manager to discuss further how best we can provide support and make any reasonable adjustments required.

Fair value

In accordance with the Consumer Duty, Charles Stanley has undertaken a detailed value assessment of this service as of April 2023 and has determined that it represents fair value. This will be reviewed on a regular basis as part of Charles Stanley's internal governance procedures.

Where additional charges are incurred by advisers and other intermediaries, these will also need to be factored into the adviser's own value assessment.

For more information on fair value, our methodology and how other intermediary charges may also impact on the value assessment, please refer to www.charles-stanley.co.uk/financial-advisers/consumer-duty

Client classification:	Target Market
Regulatory classification: Retail/ Professional/Both	Both
Client knowledge: Basic/informed/ advanced	Basic
Investment horizon	5 years +
Affordability	Yes
Risk profile:	
Capital protection/Market exposure	Market exposure
Benchmarks/target availability	Range available
Characteristics (client needs/ objectives):	
Capital growth/Income/Balanced	Range of growth portfolios available
Sustainability preferences	Neutral
Distribution channel:	
Direct/Intermediated/Both	Both
Wrapper types – GIA/ISA/SIPP/other	All
Communication channel: postal/ digital/telephone/all	All