Attivo Investments Bitesize Goal-based Investing: Preservation Strategies

Charlotte Watson – Chief Investment Officer

Richard Haines – MPS Portfolio Manager

Redefining Investment Management for a Changing World

- Founded with a mission to deliver goal-driven, client-aligned investment solutions.

- Built by experienced professionals passionate about the journey of investing.

- We partner with financial planning firms to make investment management more intuitive, scalable, and outcome-focused.

Our Purpose

Why We Exist:

- To deliver institutional-quality investment solutions through financial planners.
- To prioritise client outcomes over outdated risk/return models.
- To simplify complexity through technology, research, and philosophy-led thinking.
- To enable financial planners to focus on their core: relationships and advice.

Our Investment Philosophy

Philosophy That Puts Clients First:

- Goal-Based Investing: We design portfolios around life stages – accumulation, preservation, withdrawal – not volatility alone.
- The Journey Matters: It’s not just about end results, but about how smooth the journey is along the way.
- Strategic Asset Allocation: The main driver of long-term returns, using active and passive where it adds value.
- Diversification & Realism: We believe in exposure across asset classes, geographies, styles, and managers.
- Communication & Clarity: Translating investment outcomes into language that clients understand and planners can explain.

What We Offer

Our Proposition:

Model Portfolio Services (MPS):

- Three families: Passive, Core, and APEX
- Available via Titan, Transact, Fidelity, and Abrdn
- Designed to meet a wide range of client objectives

Support for Planners:

- Investment committee training
- Model rationale packs
- Commentary, video explainers, and MI
- Drawdown planning & preservation webinars

Data & Tools:

- Quarterly reviews, performance reporting, market updates
- Resource Centre with ready-to-use content

Attivo Investments

Our Co-CIO Model with SEI

Powered by Dual Expertise:

Attivo Investments as Lead: We set the investment philosophy, define strategic asset allocation, and drive innovation.

SEI as Co-CIO:

- $1 trillion+ under advisement
- Multi-manager expertise and due diligence
- Institutional selection and operational scale

The Benefit: Clients and planners get boutique focus with institutional rigour – the best of both worlds.

sei

Our Co-CIO Model with SEI

Goal-Based Investing

The All-Weather Score

Assesses a portfolio's capacity to achieve stable, goal-oriented results in various economic environments

Focusing on minimizing downside risk and ensuring consistent returns for investors aiming for accumulation.

It adjusts to different economic cycles to support long-term goal attainment.

In terms of preservation risk is more than just volatility it is the risk of loosing money as well.

In terms of accumulation risk is more than volatility its also consistency of returns and falling short of targets.

Where do Attivo Investments differ?

- There are around 1,500 MPS offerings in the UK
- While they will all look to mange risk versus reward, not many look to align financial goals with the underlying investments
- Attivo Investments do, and this approach is known as **“goal-based investing”**

How might this work in practise?

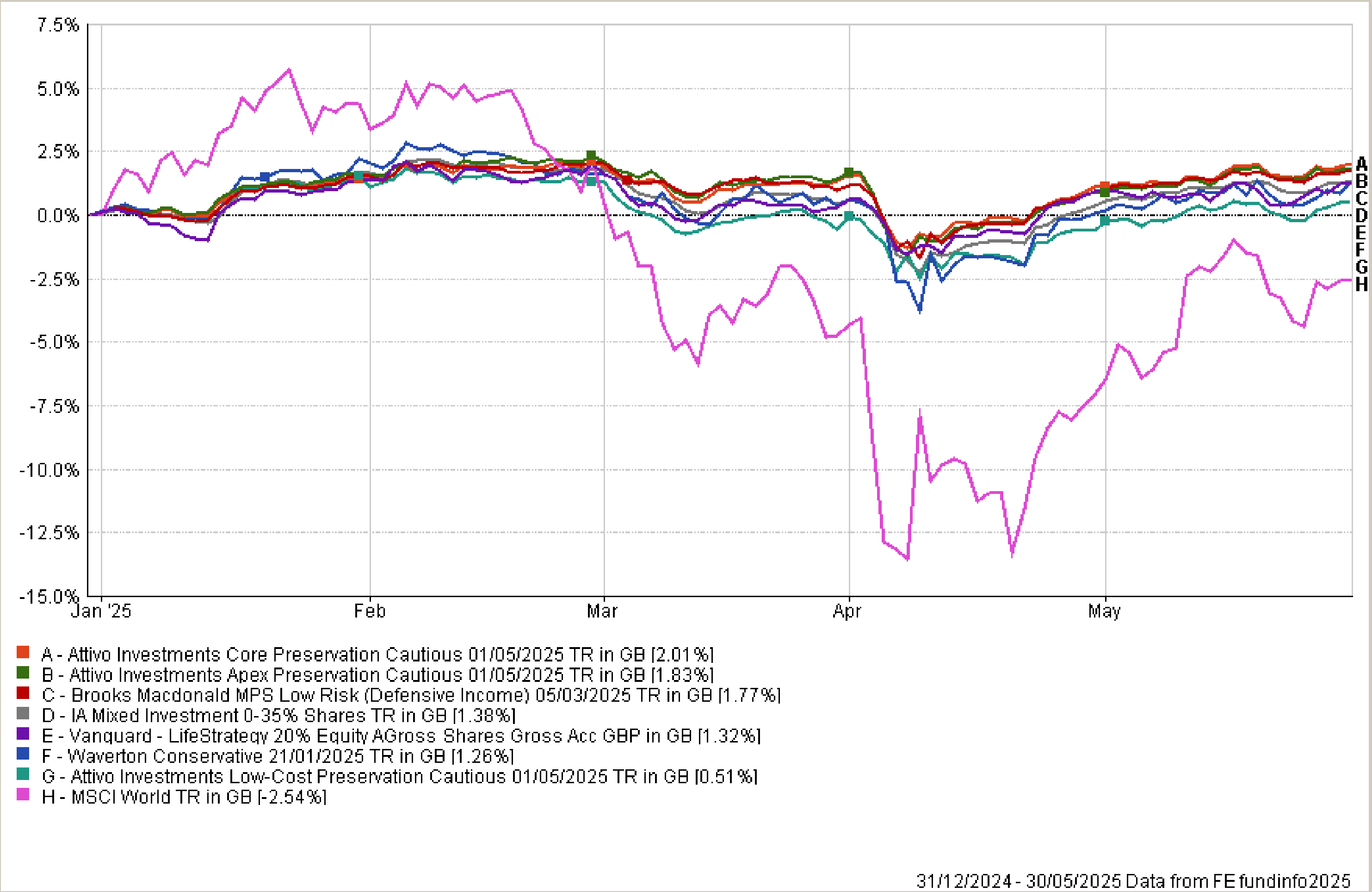
- We believe most, if not all financial goals can be categorised into one of three buckets: accumulation, preservation, or income
- For those investors who are prioritising capital preservation, our belief is that we should not make speculative calls to grow wealth – **this is not consistent with their goals.**
- However, many managers will not factor this in.
- For example, they may look to add high credit risk or long duration risk into the fixed income allocation – as they perceive long-term value in this call
- Or, they may deem a weak dollar to be good news for emerging markets and add allocations here

Which approach is more suitable?

- Whilst this approach can and will add value on occasions, is it suitable for a client who wants to preserve their wealth?
- Attivo Investments focuses on **client outcomes,** not on **maximising returns**
- We believe this is the best way to achieve outcomes in line with client expectations, and without taking undue risk which could result in poor client outcomes

Attivo Investments

How have we performed year to date?



- Year to date represents “real performance” since go live
- We have outperformed benchmarks and many of our peers
- And with less volatility than most our peers

Past performance is not a reliable indicator of future results. Customers should be aware commissions, fees and other charges will have an effect on gross performance.

Attivo Investments

How have we performed year to date?

Investment Solution	1 yr vol	2 yr vol	3 yr vol	4 yr vol	5 yr vol
Portfolio : Attivo Investments Apex Preservation Cautious 01/05/2025 TR in GB	3.37	3.78	4.91	4.48	4.37
Portfolio : Attivo Investments Core Preservation Cautious 01/05/2025 TR in GB	3.14	3.69	5.02	4.61	4.40
Portfolio : Attivo Investments LowCost Preservation Cautious 01/05/2025 TR in GB	3.54	4.05	4.98	4.80	4.56
Portfolio : Brooks Macdonald MPS Low Risk (Defensive Income) 05/03/2025 TR in GB	3.02	3.37	4.88	4.72	4.82
Sector : IA Mixed Investment 035% Shares TR in GB	3.32	4.46	5.88	5.53	5.30
Index : MSCI World TR in GB	12.46	10.99	12.11	11.80	11.84
Vanguard LifeStrategy 20% Equity AGross Shares Gross Acc GBP in GB	4.19	5.47	7.47	7.11	6.59
Portfolio : Waverton Conservative 21/01/2025 TR in GB	4.24	4.73	5.66	5.36	5.05

Disclaimer

Investments can fall as well as rise, and you may not get back the amount originally invested. This includes risks associated with emerging markets, overseas investments, and investments in property or corporate bonds, which may be subject to higher volatility or reduced liquidity. Currency fluctuations may also affect returns.

Past performance and volatility figures, including any simulated performance or volatility figures, is not a reliable indicator of future results. Performance and volatility figures shown from 31/12/2019 to 30/11/2024 is based on simulated data provided by SEI Global Investment Management Limited. This includes a combination of actual fund tracker history and simulated fund performance, and is shown for illustrative purposes only.
Volatility figures are based on historical data and represent the degree of fluctuation in returns over a given period. They do not predict future risk or guarantee more stable returns. Actual experience may differ, particularly in changing market conditions.
From 01/12/2024 onwards, the performance reflects actual results based on live fund management.

The simulated performance does not represent SEI's investment decisions during the period, and there is no guarantee that the same outcomes would have been achieved had the funds been actively managed in real time using the same approach. Similarly, there is no assurance that the same methodology will be successful in the future.

Further information on the simulation methodology is available upon request.

Attivo Investments

A solution which puts the client first

- Our preservation range of portfolios have three different risk groups
- Conservative; essentially one notch up from cash
- Cautious; the portfolio used within the above examples
- Moderate; the higher risk option, but still with more than a watchful eye on downside protection
- We will not speculate for growth, even if conventional wisdom suggests value is on offer
- Instead, we place the client objective first
- This removes the prospect of unwelcome surprises, and enables steady gains to be made in excess of cash

sei

Attivo Investments

How to demonstrate Preservation to clients

Explaining the Added Layer Beyond Risk vs Return with Goal Based Preservation

1) Traditional Risk/Return = Just the First Layer

2) The traditional approach looks at how much return you might earn for a given level of risk — often using metrics like volatility or Sharpe ratio. But that's only part of the picture.

   It's like measuring a car just by its top speed and fuel efficiency, but ignoring how safe it is, how smooth the ride is, or whether it will break down in bad weather.

3) Our Added Layer: Journey-Based Monitoring

sei

Attivo Investments

We go a step further — we look not just at the result, but how consistently and reliably you get there. That means analysing things like:

Metric	Plain English Explanation
Drawdown	How far could it fall when markets turn?
Recovery time	How long might it take to bounce back?
Consistency of returns	Is performance lumpy or stable?
Diversification across asset types and geographies	Are we exposed to too much of one thing?
Exposure stress-testing	How would this portfolio behave in different economic climates?

sei

Attivo Investments

Example Talking Point for Clients

We believe your investment experience should be more than just numbers. That’s why we don’t just look at how much return a model can deliver for a given risk. We go further and ask:

- Is that return delivered consistently?
- How big are the dips along the way?
- Does the portfolio stay resilient through inflation, recession, or global shocks?

That’s how we aim to deliver a smoother, more dependable journey — not just a strong finish.

sei

Attivo Investments

All-Weather Score – Client-Friendly Explanation

“We test every portfolio against different types of economic weather — inflation, recession, strong growth, and market shocks. We call it the All-Weather Score — it’s a way of checking that your investments can stay on track no matter what’s happening in the wider world.”

Supporting lines:

- “Your portfolio needs to be strong enough to hold steady in a storm, not just when the sun is shining.”
- “We assess how well it performs in different economic climates — not just based on past returns.”

Attivo Investments

Diversification and Active Management (Core and APEX)

"We use diversification to avoid having all your eggs in one basket. Your portfolio is spread across global markets, asset types, and sectors, which reduces the impact of any one area underperforming."

Demonstrating the Smoother Journey

"It's not just about whether a portfolio grows — it's how it behaves along the way. We measure things like drawdowns (how far it falls in bad times), volatility (how bumpy the ride is), and recovery speed."

Metrics to highlight:

Metric	Plain English Explanation
Max Drawdown	What's the worst fall it experienced?
Volatility	How smooth or bumpy is the journey?
Downside Capture Ratio	Does it fall less than the market during crashes?
Upside Capture Ratio	Can it still grow when markets do well?
Sharpe Ratio / Journey Score	How much return per unit of risk is it efficient?

"We design our portfolios to fall less when markets wobble, and to recover quickly, so your plan stays on track. It's not about winning big in short bursts — it's about building sustainably."

Planner Talking Points

“Our preservation-focused portfolios are built for the real world — where markets go up and down, but your goals stay the same. We look beyond risk vs return and instead focus on protecting your wealth, navigating economic uncertainty, and helping you get the outcome you want — whether that’s growth, stability, or income.

We use smart diversification, experienced active managers in key areas, and a framework called the All-Weather Score to check every portfolio’s ability to deliver in different conditions. It’s a low-cost, high-discipline strategy designed for a smoother journey, not just a good headline number.”

Disclaimer

Investments can fall as well as rise, and you may not get back the amount originally invested. This includes risks associated with emerging markets, overseas investments, and investments in property or corporate bonds, which may be subject to higher volatility or reduced liquidity. Currency fluctuations may also affect returns.

Past performance and volatility figures, including any simulated performance or volatility figures, are not a reliable indicator of future results. Performance and volatility figures shown from 31/12/2019 to 30/11/2024 are based on simulated data provided by SEI Global Investment Management Limited. This includes a combination of actual fund tracker history and simulated fund performance and is shown for illustrative purposes only.
Volatility figures are based on historical data and represent the degree of fluctuation in returns over a given period. They do not predict future risk or guarantee more stable returns. Actual experience may differ, particularly in changing market conditions.
From 01/12/2024 onwards, the performance reflects actual results based on live fund management.

The simulated performance does not represent SEI's investment decisions during the period, and there is no guarantee that the same outcomes would have been achieved had the funds been actively managed in real time using the same approach. Similarly, there is no assurance that the same methodology will be successful in the future.

Further information on the simulation methodology is available upon request.

Attivo Investments - Goal-based Investing: Preservation Strategies – Bitesize Session 3 | Version 1.0 | Effective (06/06/2025)
This document is issued and approved on 06/06/2025 by Attivo Investments, authorised and regulated by the Financial Conduct Authority (**FRN 1012439**). The information and opinions contained in this document are intended for professional and intermediary clients only and are subject to change without notice.