

Sheffield CII Life & Pensions

THE INDUSTRIALISATION OF MPS

Alpha is in the Advice,
what should you expect?



AGENDA

Evolution of Adviser Investment Solutions

Recognising the Industrialisation of today's model portfolio market

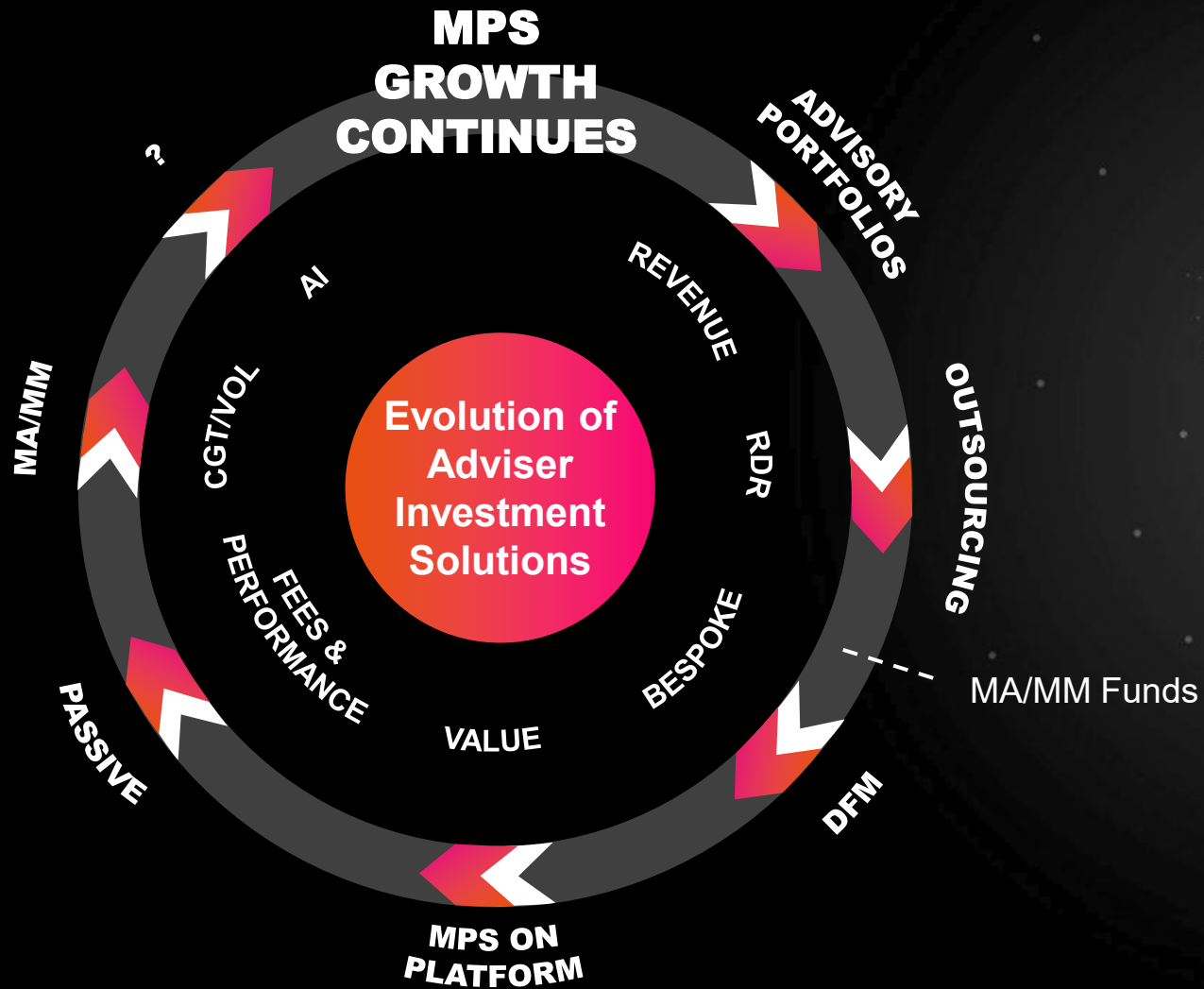
The importance of implementation

How portfolio managers can effectively navigate today's diverging market environment

Leverage Technology for Smarter Investment Solutions

Discover how technology and data-driven insights are transforming adviser-led solutions and improving client outcomes

Evolution of the MPS Market



Discretionary MPS at-a-glance

↑ 32%

Growth in assets:

MPS assets grew **32%** in the year to March 2026, aided by favourable markets, deepening existing relationships and broadening to new firms.

ASSETS

2022	£87bn
2023	£104bn
2024	£142bn
2025	£190bn
2026*	£208bn

*End of Q1

% GROWTH YoY

21-22	+12%
22-23	+20%
23-24	+37%
24-25	+33%
25-26*	+9%

*End of Q1

↑ DFM

Growth:

The shift from advisory models and bespoke

Consumer Duty

Another cause of shift to outsourcing

TOTAL COST

2021	100 bps
2023	59 bps
2024	54 bps
2025	51 bps
2026*	49bps

*End of Q1

% OF ASSETS IN PASSIVE

2022	29%
2023	40%
2024	43%
2025	47%
2026*	46%

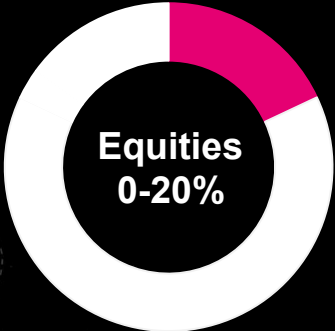
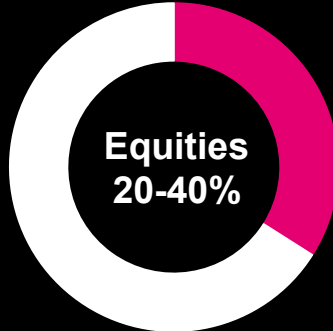
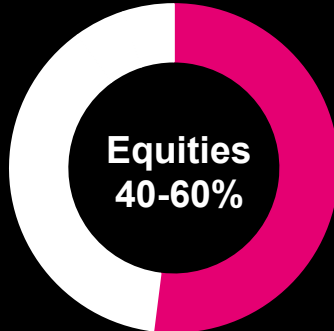
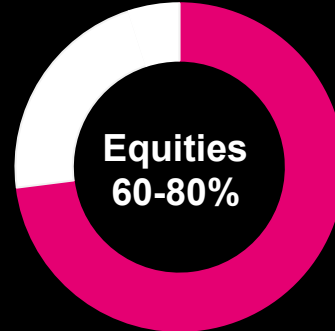
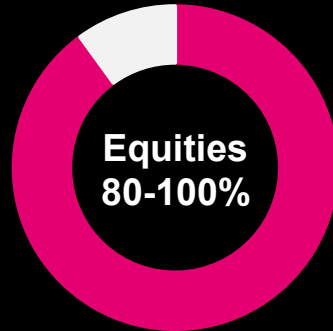
*End of Q1



INDUSTRIALISATION

Industrialisation of Model & Multi-Asset Portfolios

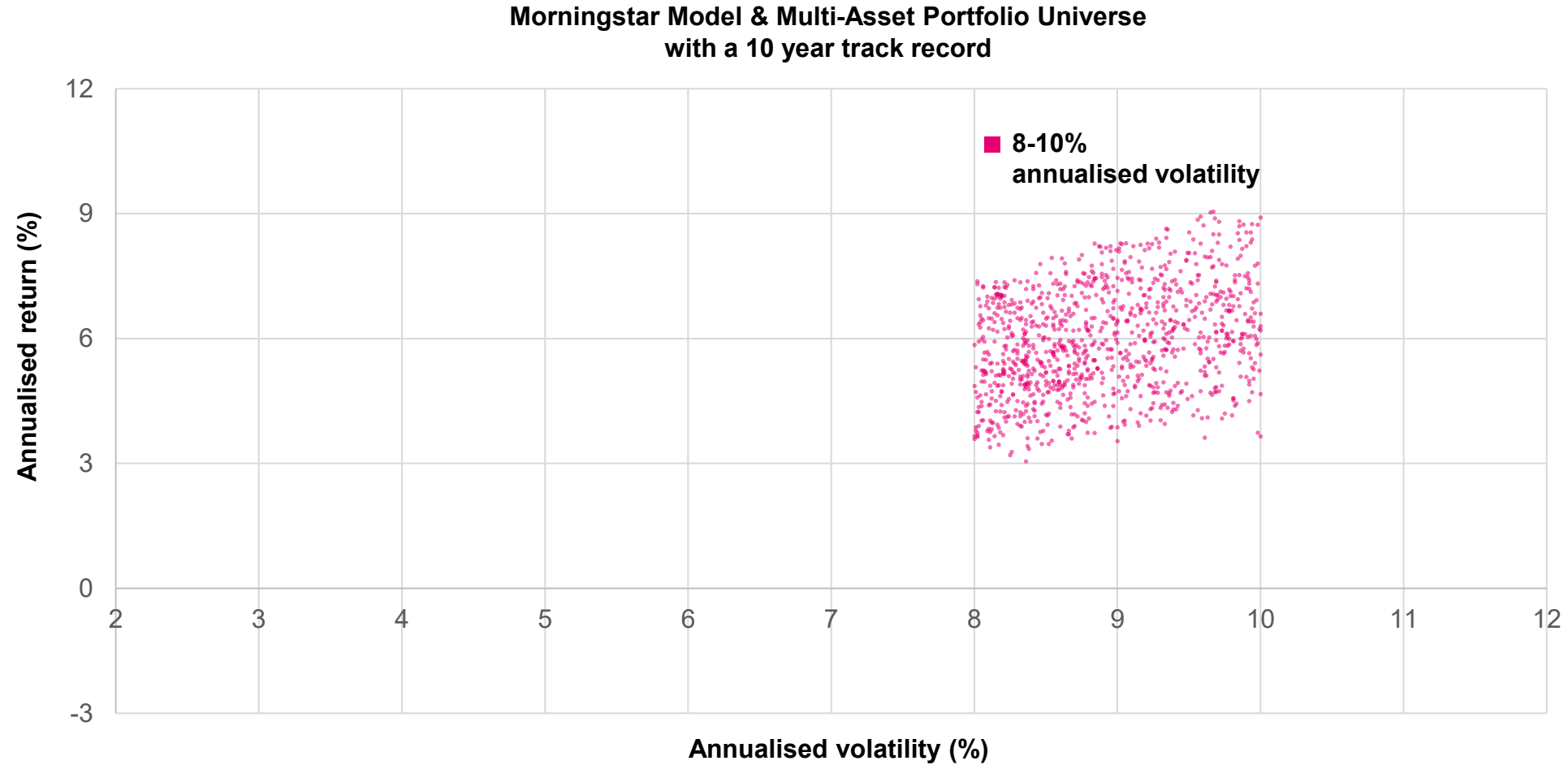
Model portfolios create homogeneity, reducing differentiation

Risk Profile	Risk Profile 1	Risk Profile 2	Risk Profile 3	Risk Profile 4	Risk Profile 5
Strategy	Defensive	Conservative	Balanced	Adventurous	Aggressive
Volatility Range	4.75%-6.25%	6.25%-8.75%	8.75%-11.25%	11.25%-13.75%	13.75%+
Equity Range	 Equities 0-20%	 Equities 20-40%	 Equities 40-60%	 Equities 60-80%	 Equities 80-100%

Unintended consequences of client risk profiling is that the deviation between providers is never going to be that different

Industrialisation of Model & Multi-Asset Portfolios

Understanding our own limitations



Past performance is not necessarily a guide to future performance and investors may not recover the full amount invested.

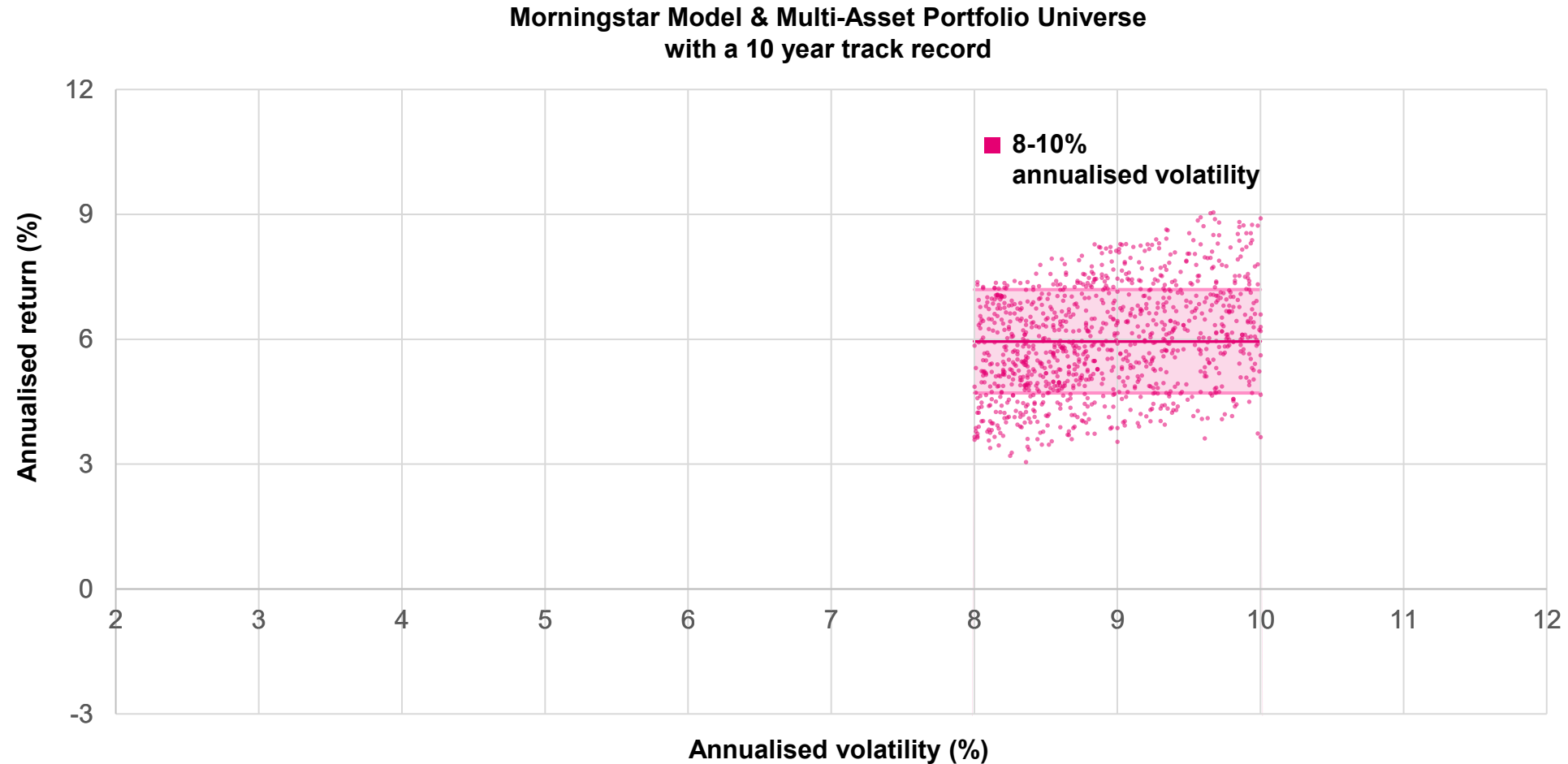
Source: Morningstar as at 28 February 2025.

Scatter of plot of annualised volatility (x-axis) and annualised return (y-axis) of the Morningstar Model & Multi-Asset Portfolio Universe with a 10 year track record.

Data points have been clustered into 3 Volatility ranges (4-6%; 6-8%, 8-10%).

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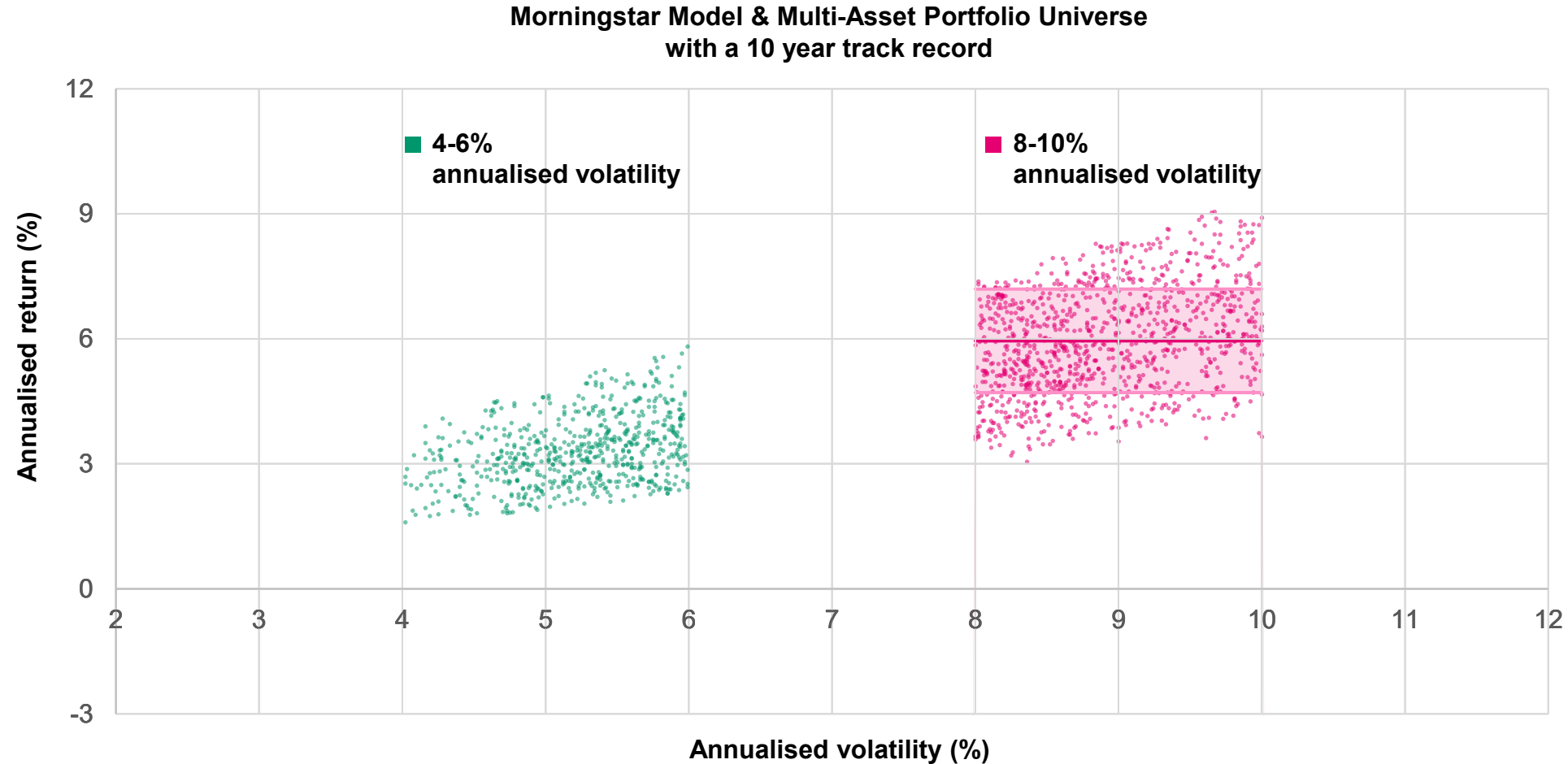
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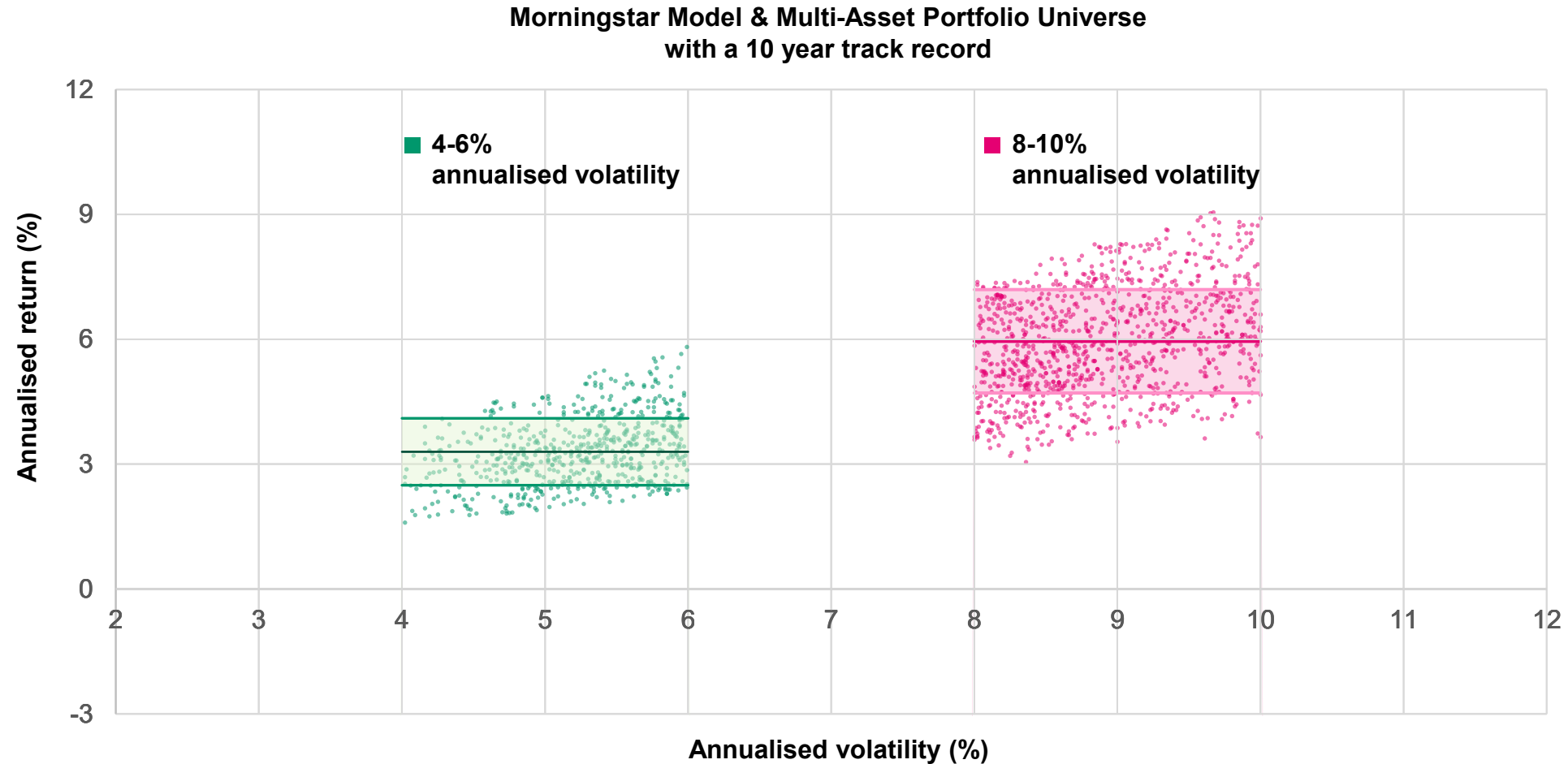
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**“ALPHA”
IS IN THE
ADVICE**



**WHAT SHOULD
YOU EXPECT?**

P>CIFIC
ASSET MANAGEMENT



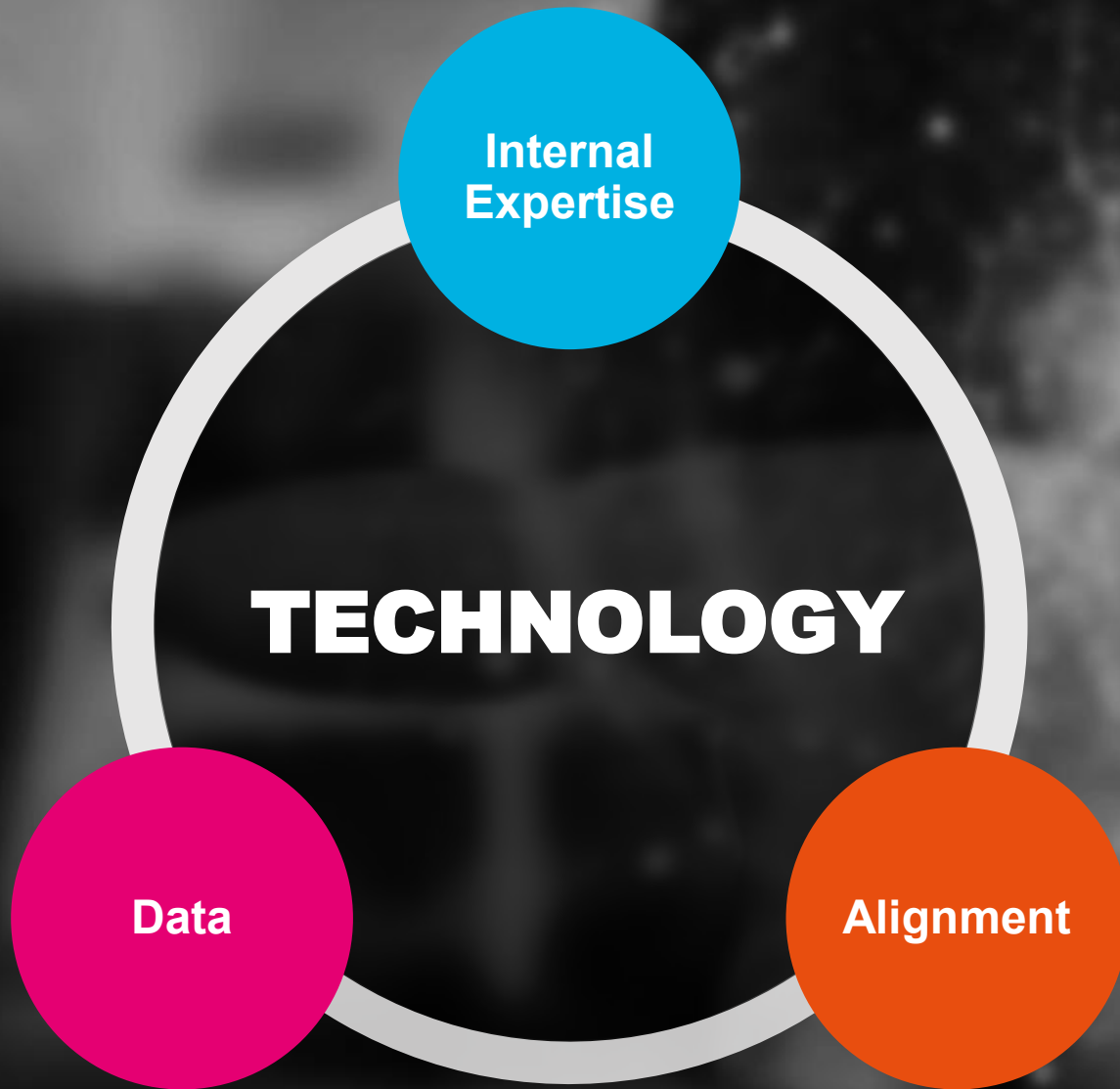
CONSISTENCY
PREDICTABILITY
COMMUNICATION



**INVESTMENT
EXPERTISE**

+

TECHNOLOGY



Internal Expertise

- Ownership
- Understanding

Alignment

- Prescribe value to Technology
- Reward technologists

Data

- 70 million data points
- Market data – not client data



CONSISTENCY
PREDICTABILITY
COMMUNICATION



CONSISTENCY

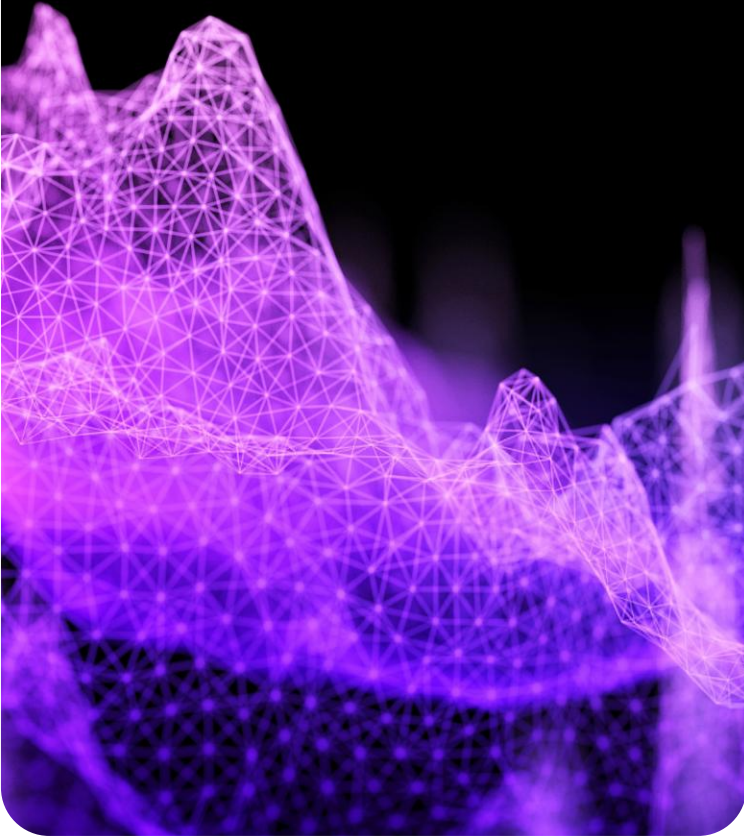
WHY IS IT SO IMPORTANT NOW?

Consistency of returns is about never embarrassing clients –
delivering in all market conditions

Which means thinking about the downslide
as much as the upside.....

Why is consistency as important as ever?

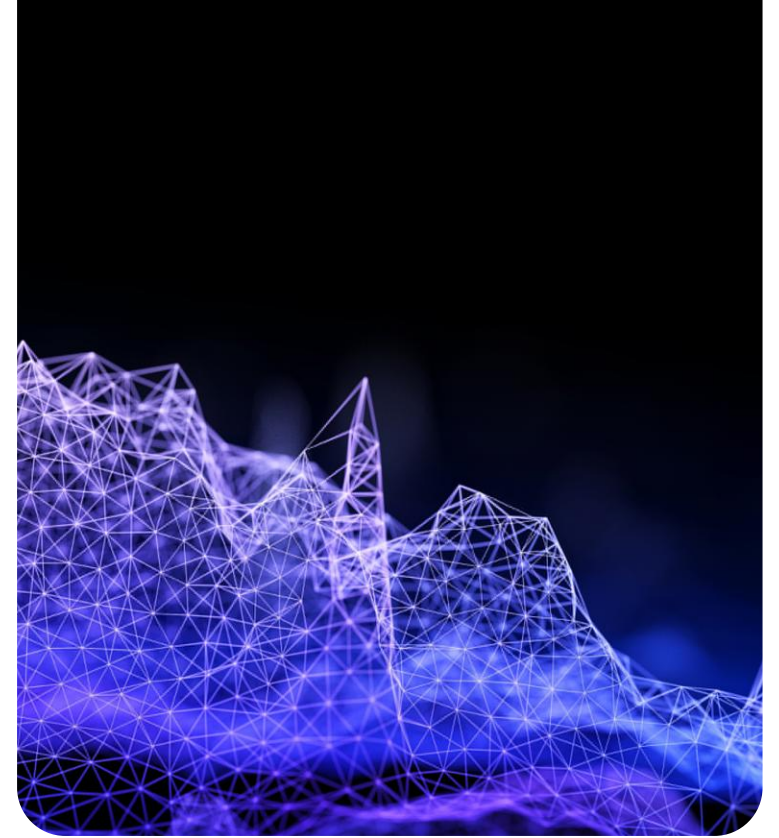
Concentration



Volatility



Correlation



Concentration Risk

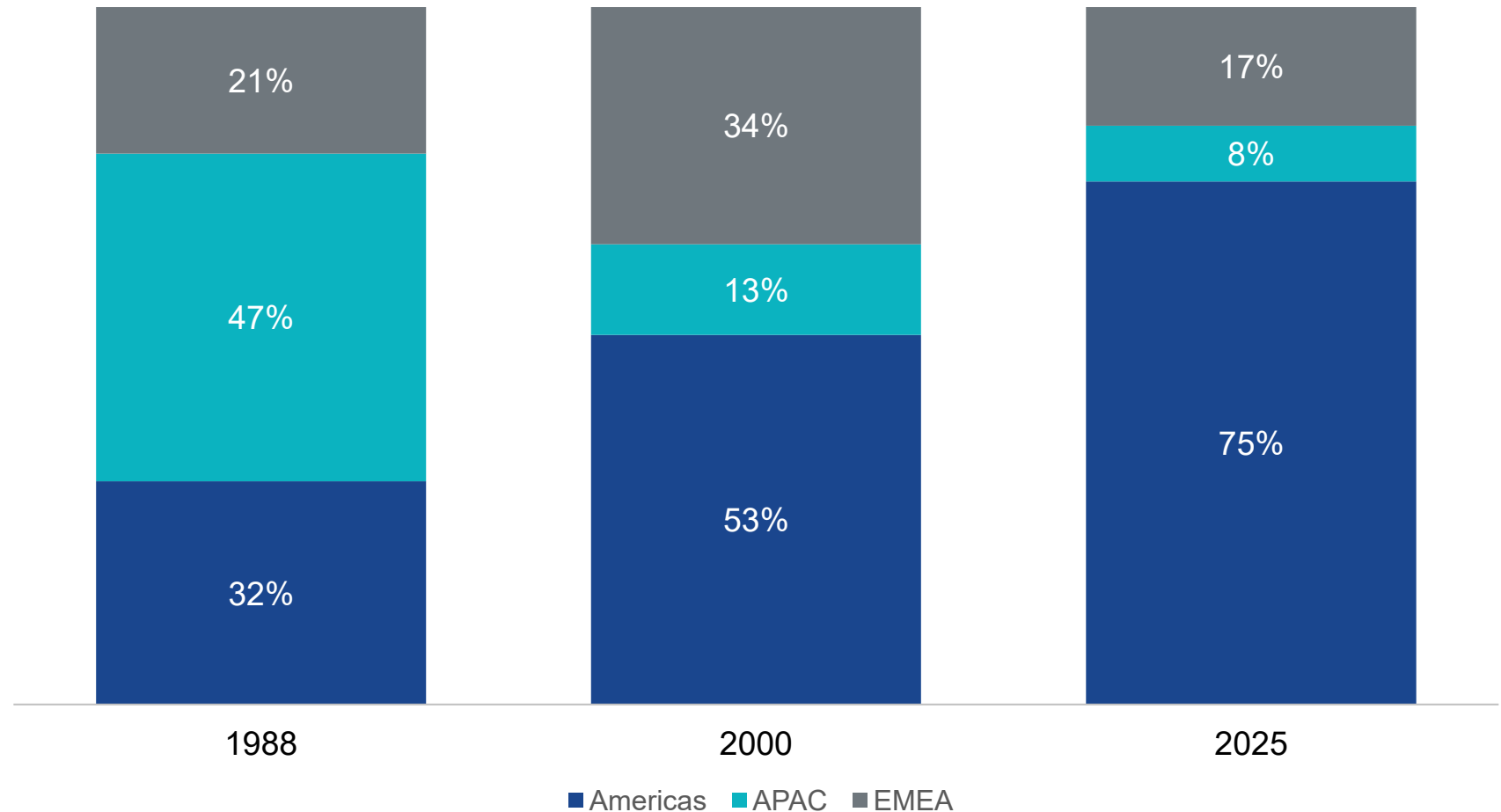
MSCI World regional weights, % of index

1990s:

Japan started the decade at **45%** of the global index and then fell **70%** — global trackers fell out of favour.

Today:

The US represents roughly **75%** of global equity indices. Same concentration story, different decade?

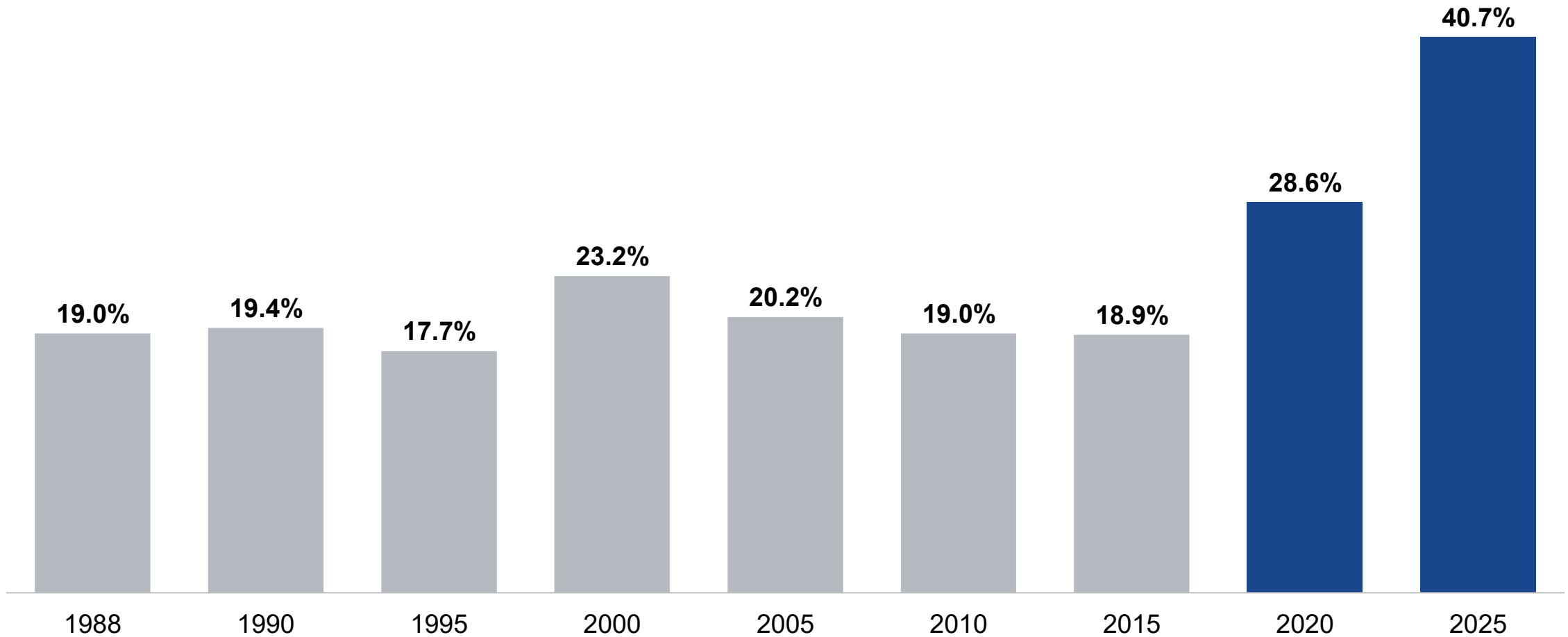


Included for illustrative purposes only.

Source: VanEck, MSCI <https://www.vaneck.com/dk/en/blog/etf-insights/the-market-concentration-you-didnt-choose/> (2026)

So, a passive fund tracks the S&P 500, but what does it own?

Weight of 10 largest companies in S&P at year end



Included for illustrative purposes only.
Source: VanEck, RBC, Factset

Passive Portfolios, Actively Managed

Tools to re-diversify passive global equity portfolios



01

Regional tilts

- Lowers reliance on the US, and on its largest market-cap names
- Spreads country, currency and policy risk



02

Factor exposures

- Weights stocks by characteristics such as value, quality or momentum
- Long-run factor premia, requires active management



03

Thematic exposures

- Multi-decade themes with secular tailwinds
- Valuation discipline matters as themes get crowded



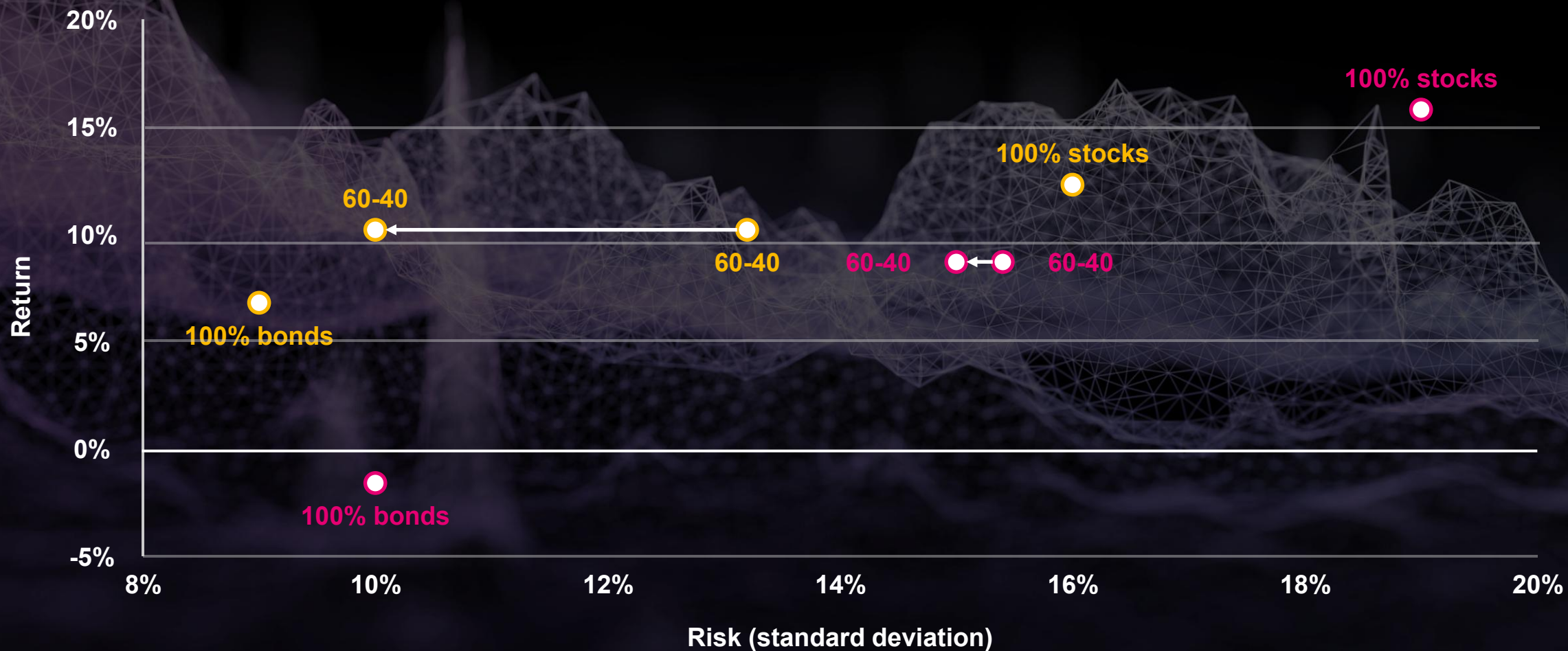
04

Mid cap, Small cap

- Companies largely absent from top-heavy benchmarks
- More domestic, cyclical drivers of return
- Long-run size premium, albeit episodic

Correlation and Volatility

1986–2020 vs 2021–2025



Equity/bond correlation since 1900

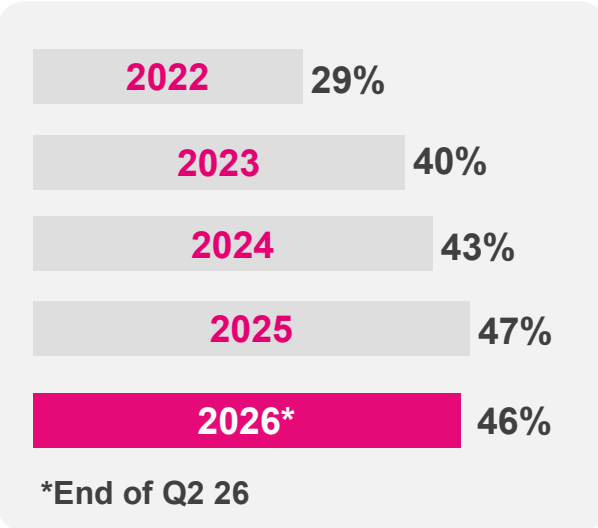
2000 to 2020 was the exception, not the rule



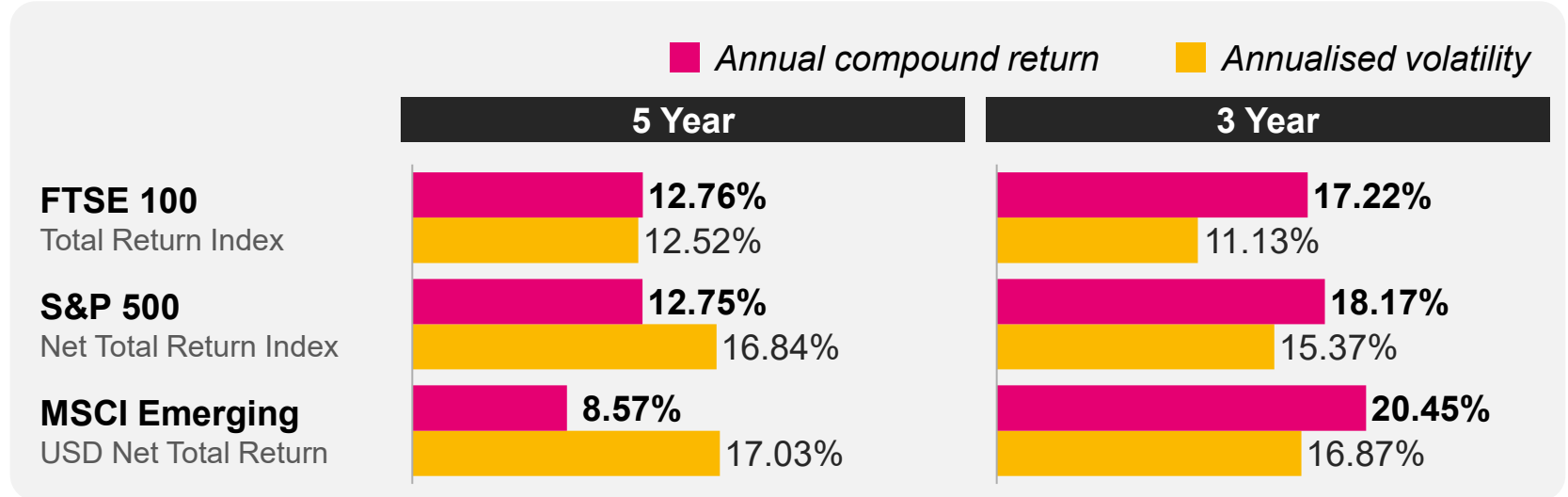
Source: Shiller, BLS, FRED (GS10) to 1962, then Bloomberg month-end. Bond returns from a constant-maturity 10y par bond. Monthly data; latest Sep 2026. Pacific Asset Management.

What's happening in the market?

PEAK PASSIVE NEXT WEALTH



REGIONAL MARKET PERFORMANCE



RISE IN DIVERSIFIERS

Goldman Sachs 2026 Survey

49% plan to increase alternatives, vs 37% a year earlier

4% plan to reduce

Goldman: alternatives **beat 60/40** in every year since the Fed began raising rates in 2022

UNITISATION – NEXT WEALTH

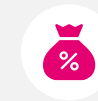
25 of 58



DFMs unitised their MPS in 24/25



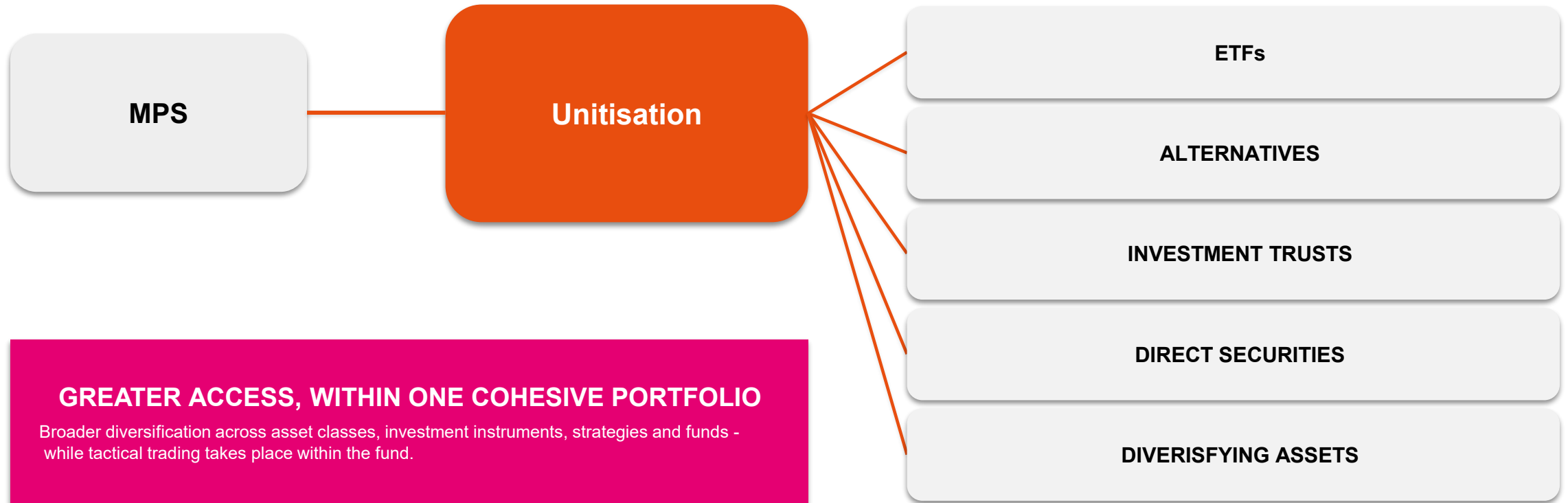
Operational efficiency for client



Changes to **CGT levels**

Broadening The Investment Universe With Unitisation

Using a multi-asset fund within an MPS can provide access to a wider range of assets, instruments and strategies than a traditional platform-only portfolio.





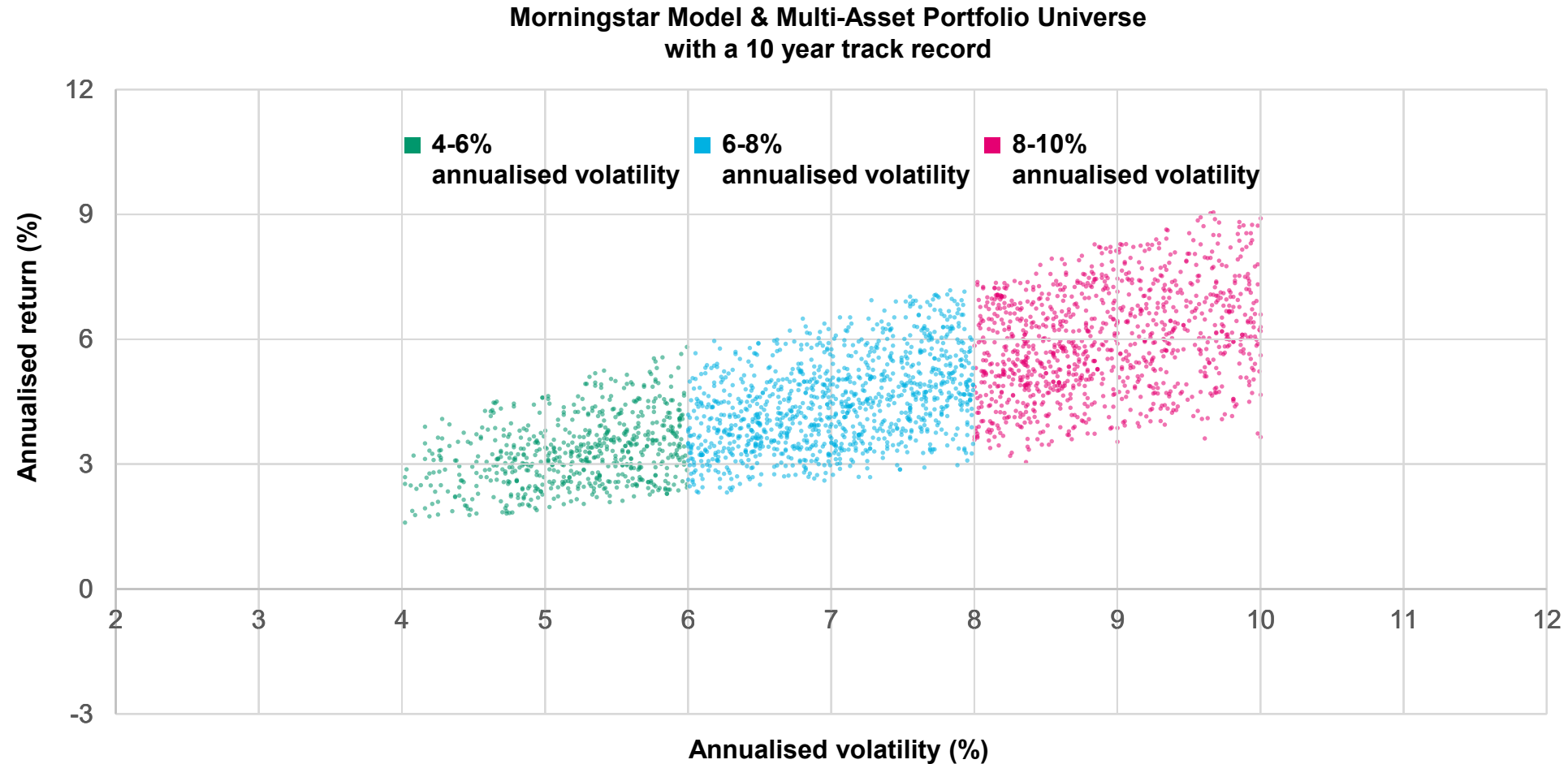
CONSISTENCY
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PREDICTABILITY

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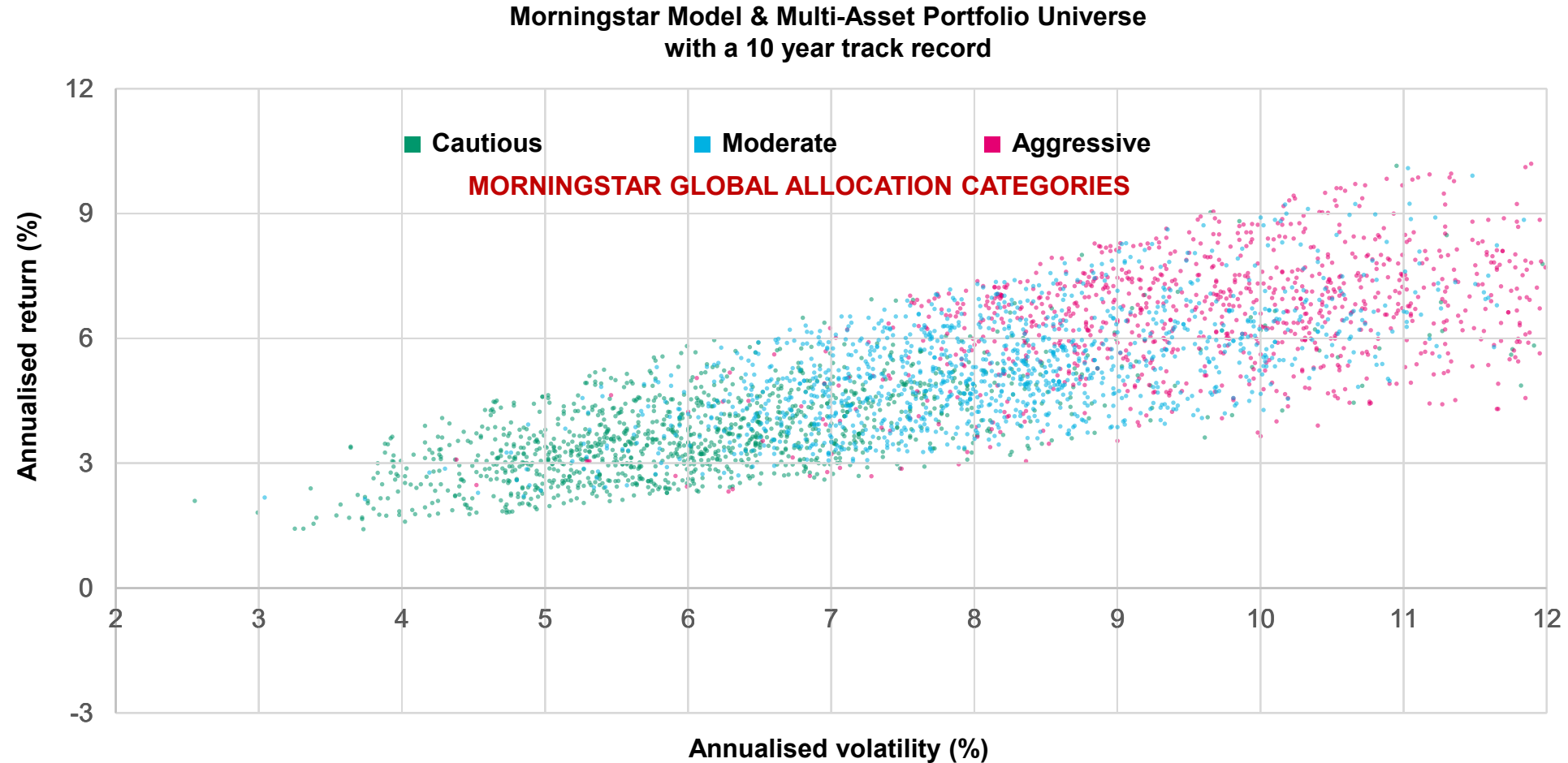
Source: Morningstar as at 28 February 2025.

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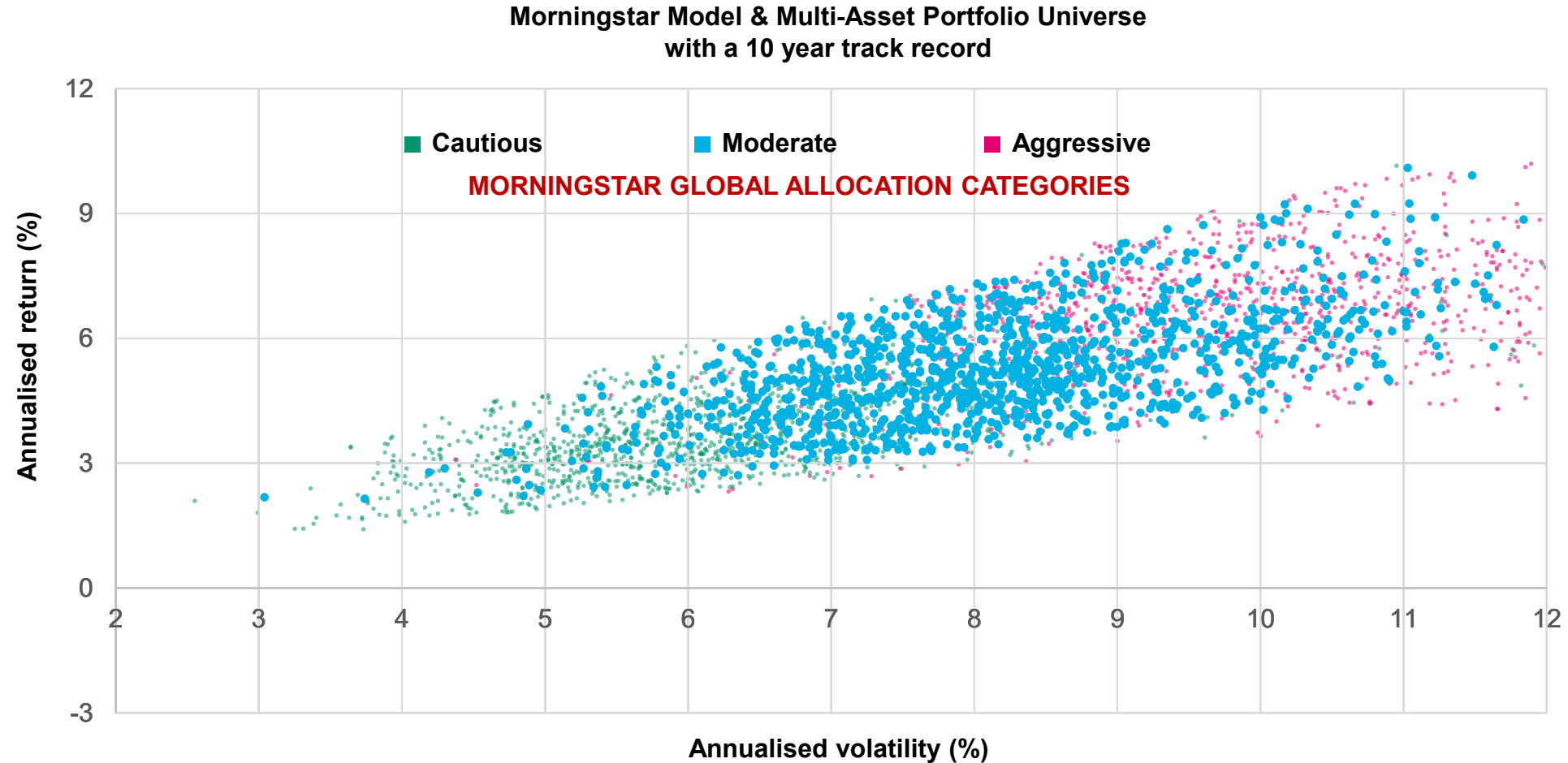
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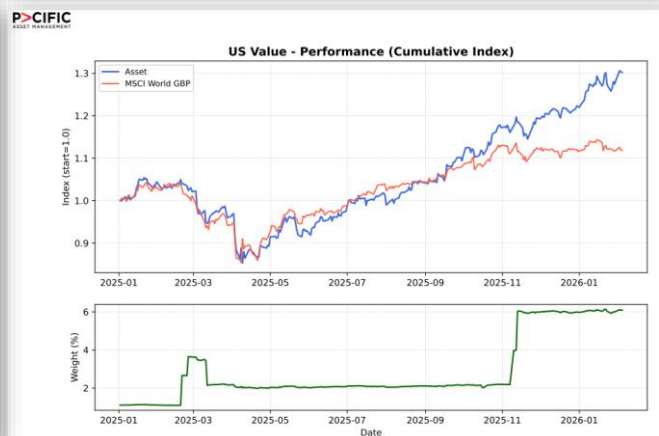
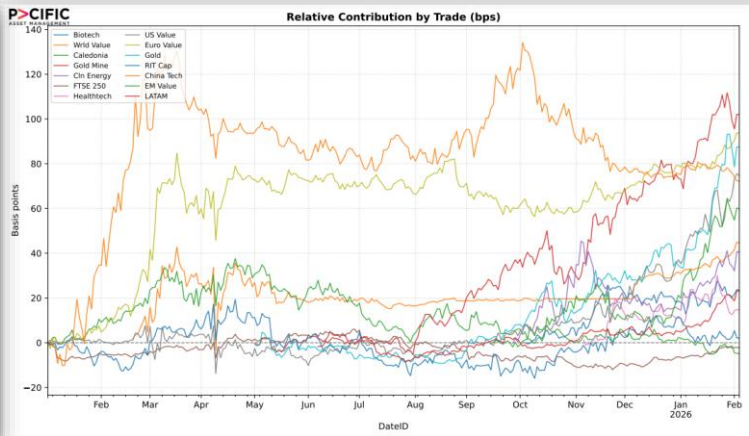
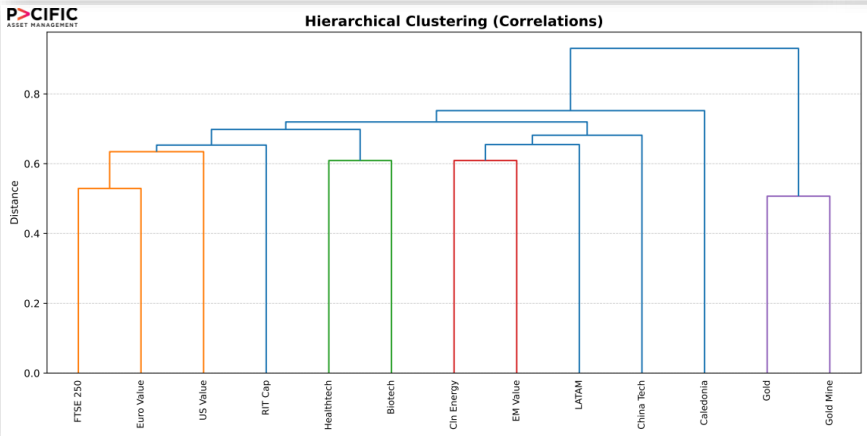
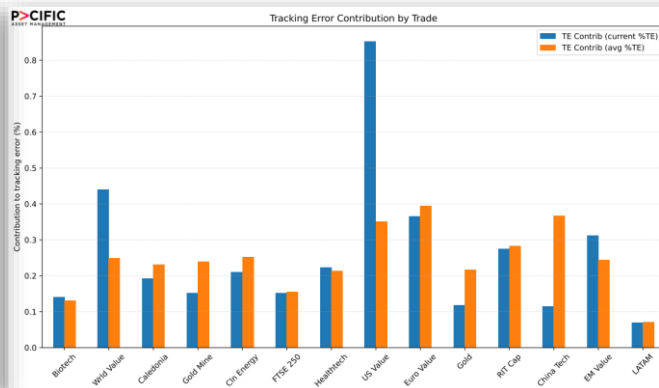
Understanding Risks

Relative Correlations vs - MSCI World GBP

Security Symbol	Biotech	Caledonia	Healthtech	EM Value	China Tech	Gold Mine	Euro Value	Cin Energy	US Value	Wrid Value	LATAM	RIT Cap	Gold	FTSE 250
BTEC LN	1.0	0.25	0.66	0.14	-0.0	0.06	0.34	0.11	0.37	0.28	0.21	0.17	0.01	0.24
CLDN LN	0.25	1.0	0.22	0.18	0.18	0.2	0.55	0.0	0.45	0.53	0.1	0.61	0.33	0.64
DOCT LN	0.66	0.22	1.0	0.16	0.2	0.13	0.34	0.07	0.43	0.16	0.09	0.38	0.02	0.38
EMVL LN	0.14	0.18	0.16	1.0	0.42	0.25	0.34	0.48	0.44	0.35	0.45	0.19	0.25	0.26
HSTE LN	-0.0	0.18	0.2	0.42	1.0	0.08	0.4	0.29	0.33	0.38	0.14	0.26	0.1	0.37
IAUP LN	0.06	0.2	0.13	0.25	0.08	1.0	0.22	0.37	0.06	0.14	0.35	0.18	0.78	0.23
IEVL LN	0.34	0.55	0.34	0.34	0.4	0.22	1.0	0.15	0.67	0.83	0.27	0.64	0.22	0.82
INRG LN	0.11	0.0	0.07	0.48	0.29	0.37	0.15	1.0	0.25	0.02	0.44	-0.05	0.25	0.02
IUVL LN	0.37	0.45	0.43	0.44	0.33	0.06	0.67	0.25	1.0	0.85	0.19	0.52	0.04	0.69
IWVL LN	0.28	0.53	0.16	0.35	0.38	0.14	0.83	0.02	0.85	1.0	0.19	0.61	0.2	0.8
LTAM LN	0.21	0.1	0.09	0.45	0.14	0.35	0.27	0.44	0.19	0.19	1.0	0.14	0.35	0.21
RCP LN	0.17	0.61	0.38	0.19	0.26	0.18	0.64	-0.05	0.52	0.61	0.14	1.0	0.25	0.77
SGLN LN	0.01	0.33	0.02	0.25	0.1	0.78	0.22	0.25	0.04	0.2	0.35	0.25	1.0	0.28
VMIG LN	0.24	0.64	0.38	0.26	0.37	0.23	0.82	0.02	0.69	0.8	0.21	0.77	0.28	1.0
Pairwise Avg	0.27	0.37	0.3	0.35	0.3	0.29	0.48	0.24	0.45	0.45	0.3	0.41	0.29	0.48

Major trade performance vs - MSCI World GBP

Trade	Average Weight	1W Abs (%)	1W Rel (%)	1W Contrib (bps)	1W Rel Contrib (bps)	1M Abs (%)	1M Rel (%)	1M Contrib (bps)	1M Rel Contrib (bps)	3M Abs (%)	3M Rel (%)	3M Contrib (bps)	3M Rel Contrib (bps)	30D Vol (ann. %)	30D Rel Vol (ann. %)	Rel Sharpe
Biotech	1.12	1.05	1.02	2.06	1.99	2.49	3.48	5.67	7.43	9.08	8.24	19.1	17.3	22.1	21.64	0.38
Caledonia	1.77	-1.62	-1.65	-2.37	-2.43	-5.08	-4.16	-7.68	-6.35	-4.33	-5.07	-6.09	-7.63	12.43	12.39	-0.41
Healthtech	1.31	-0.69	-0.72	-1.88	-2.0	-2.79	-1.85	-7.3	-4.67	9.03	8.19	17.43	15.54	19.54	16.93	0.48
EM Value	2.1	-0.97	-1.01	-4.04	-4.18	6.1	7.12	24.96	28.88	10.91	10.06	43.91	41.72	14.55	13.99	0.72
China Tech	2.35	-6.5	-6.54	-5.92	-5.96	-8.44	-7.56	-7.57	-6.74	-9.97	-10.66	-16.02	-17.15	24.54	22.71	-0.47
Gold Mine	1.02	-8.95	-8.98	-9.82	-9.7	8.3	9.35	19.29	20.83	34.44	33.41	68.96	66.58	49.73	51.15	0.65
Euro Value	3.12	2.6	2.57	7.17	7.07	4.42	5.43	12.13	14.64	12.56	11.7	33.25	30.84	9.68	8.85	1.32
Cin Energy	1.81	-0.35	-0.38	-0.43	-0.48	8.08	9.12	18.13	20.28	3.97	3.17	6.9	6.17	20.49	20.76	0.15
US Value	2.88	1.69	1.66	10.39	10.14	3.78	4.78	23.61	29.03	12.21	11.35	65.2	64.41	14.33	11.81	0.96
Wrid Value	2.07	2.45	2.42	5.29	5.98	4.44	5.45	9.31	11.91	12.28	11.42	24.11	25.05	10.05	7.9	1.45
LATAM	1.27	1.21	1.17	1.52	1.5	13.54	14.63	14.49	15.56	18.95	18.03	19.98	19.11	17.98	18.19	0.99
RIT Cap	2.4	0.23	0.19	0.72	0.59	-2.01	-1.07	-4.42	-2.31	2.34	1.55	7.13	4.8	12.89	13.65	0.11
Gold	1.6	-5.2	-5.23	-5.7	-5.57	9.41	10.47	42.13	45.6	19.21	18.29	69.77	67.64	36.89	39.59	0.46
FTSE 250	1.27	-0.33	-0.37	-0.39	-0.44	2.42	3.4	2.94	4.04	7.93	7.1	9.35	8.27	8.66	6.63	1.07
Total					-3.5				178.14				-147.09			



Predictability: Automated Portfolio Risk Analysis

Automated Rebalance trigger reports

Tolerance Report								
Download Data								
All Platforms Funded								
Overview Alerts Securities Portfolio Data Insights								
There are 384 total smart rebalancing models, which are invested in 2,910 securities, of which 245 are unique.								
Show 10 entries Search:								
Date	MPS Index Ticker	Name	Security Ticker	Security Name	Neutral Weight	Current Weight	Nearest Barrier	Distance From Barrier
31-Dec-2025	MPS_5_CHF_EFFICIENT_GLOBAL_HDG	Pacific Global Aggressive Efficient Passive CHF HDG	SBWMSF1L Index	FTSE 1-Month Switzerland Franc Eurodeposit LCL	2.00%	1.52%	▼ 1.50%	0.021% 1.50% → 2.50%
31-Dec-2025	MPS_3_GBP_STANDARD_A_PARALLEL	Pacific Balanced Growth Portfolio	VAVGBPA ID Equity	Vanguard Global Bond Index Institutional Plus Hedged Acc GBP	4.55%	3.86%	▼ 3.82%	0.039% 3.82% → 5.28%
31-Dec-2025	MPS_3_GBP_STANDARD_J	Pacific Balanced J	VAVGBPA ID Equity	Vanguard Global Bond Index Institutional Plus Hedged Acc GBP	4.55%	3.86%	▼ 3.82%	0.039% 3.82% → 5.28%
31-Dec-2025	MPS_3_GBP_STANDARD_J_OB	Pacific Balanced J	VAVGBPA ID Equity	Vanguard Global Bond Index Institutional Plus Hedged Acc GBP	4.55%	3.86%	▼ 3.82%	0.039% 3.82% → 5.28%

Tolerance Report for 2026-01-01 NEW TRIGGERS					
Reports					
To: Cc: Thu 01/01/2026 11:01					
Retention: Junk Email (30 days) Expires: Sat 31/01/2026 11:01					
There are 3 new MPS models that have triggered since the 31-Dec-2025 report.					
Trigger Date	Rebal Date	MPS Index Ticker	Display Name	Total AUM	Risk Info
2025-12-30	2026-01-12	MPS_4_GBP_SUSTAINABLE_5050_A	Pacific Sustainable Conservative 50/50 Advisory	£	Novia AJ Bell Aviva Quilter Fidelity M&G
2025-12-30	2026-01-12	MPS_2_GBP_SUSTAINABLE_5050_A	Pacific Sustainable Defensive 50/50 International		None
2025-12-30	2026-01-12	MPS_1_GBP_SUSTAINABLE_5050_A_INTERNATIONAL	Pacific Sustainable Adventurous 50/50		None
There are 4 models that have breached, but not yet rebalanced, these are shown below:					

Trigger Date	Rebal Date	MPS Index Ticker	Name	Security Ticker	Security Name	Neutral Weight	Weight on Trigger Date	Nearest Barrier
30-Dec-2025 NEW	12-Jan-2026	MPS_1_GBP_SUSTAINABLE_5050_A_INTERNATIONAL	Pacific Sustainable Defensive 50/50 International	AMUKIIG LX Equity	Amundi MSCI UK IMI SRI PAB IG GBP	1.62%	2.13%	▲ 2.12%
30-Dec-2025 NEW	12-Jan-2026	MPS_2_GBP_SUSTAINABLE_5050_A_ADVISORY	Pacific Sustainable Conservative 50/50 Advisory	AMUKIIG LX Equity	Amundi MSCI UK IMI SRI PAB IG GBP	6.37%	7.52%	▲ 7.51%
30-Dec-2025 NEW	12-Jan-2026	MPS_4_GBP_SUSTAINABLE_5050_A	Pacific Sustainable Adventurous 50/50	AMUKIIG LX Equity	Amundi MSCI UK IMI SRI PAB IG GBP	14.69%	16.90%	▲ 16.89%
24-Dec-2025	06-Jan-2026	NFS_2_USD_STANDARD_A	NFS Conservative 40 / 60 USD A	LGUKIIA LN Equity	Legal & General UK Index Fund GBP I	6.73%	7.95%	▲ 7.94%



CONSISTENCY
PREDICTABILITY
COMMUNICATION



COMMUNICATION

Fidelity Investments Study from 2014:

"The firms best performing clients were actually those that had died..

The second-best performing hadn't died but forgotten their accounts existed."





**ADVISOR
TOOLS**

COMMUNICATION

YOU

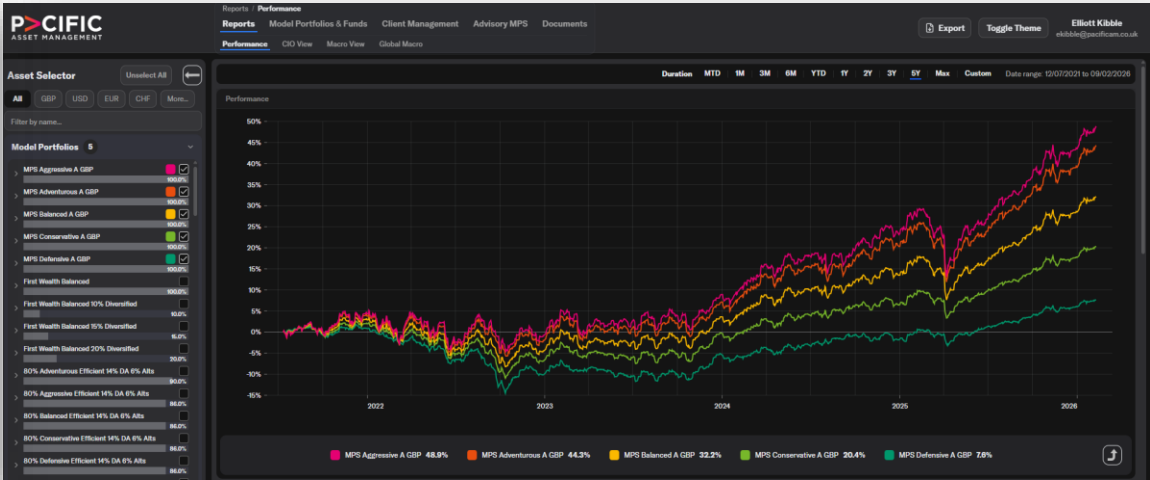
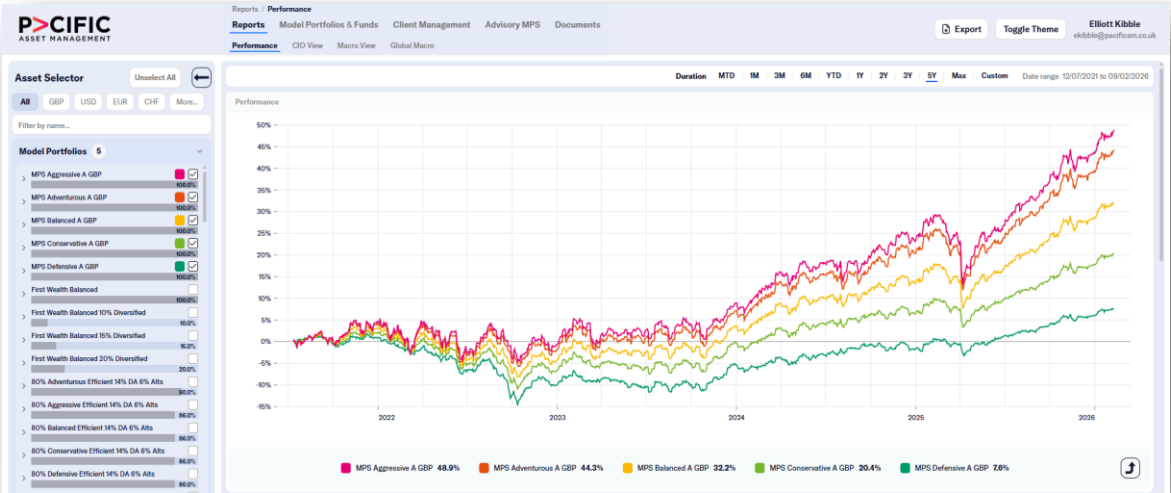
AI



Trust and Transparency

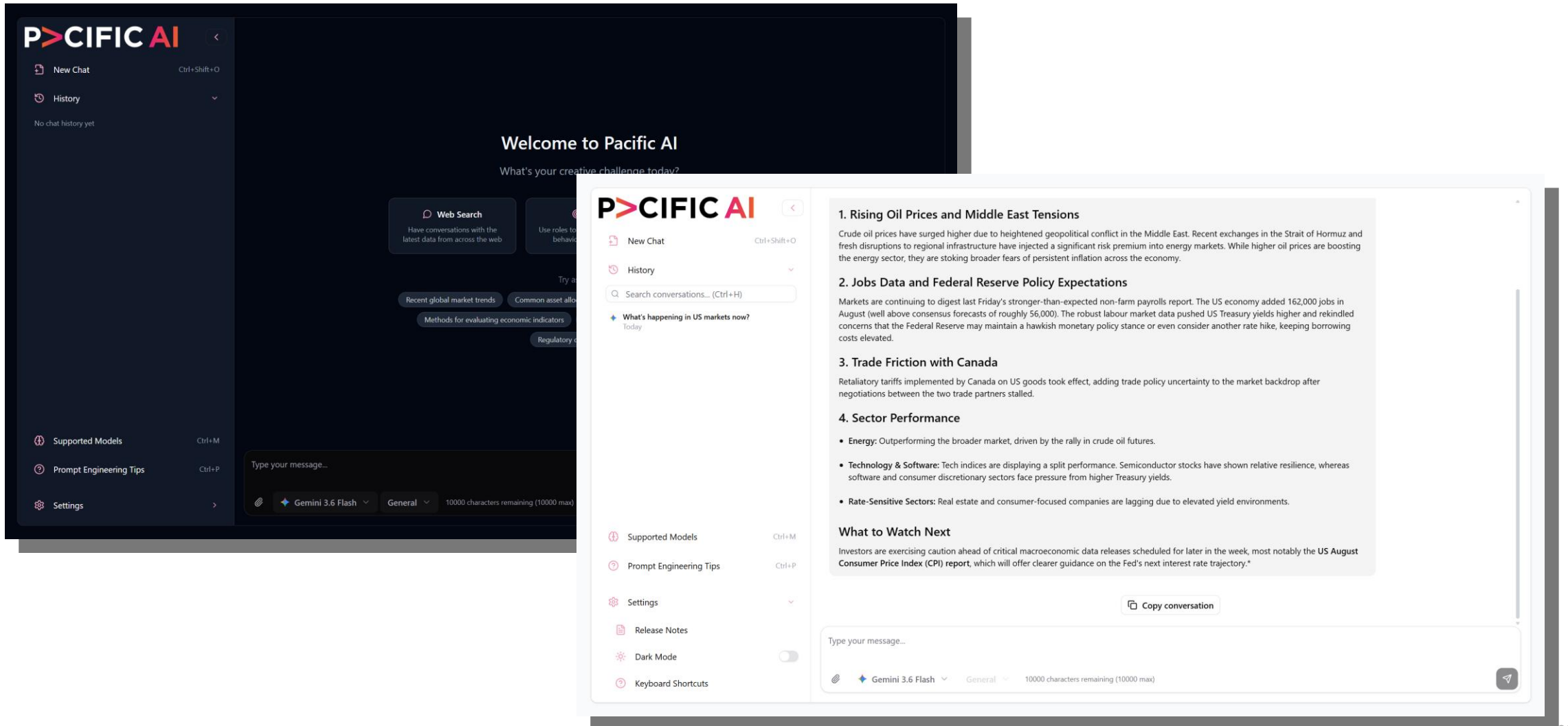
Owning your Data

Technology for you



Pacific AI

Using RAG Technology

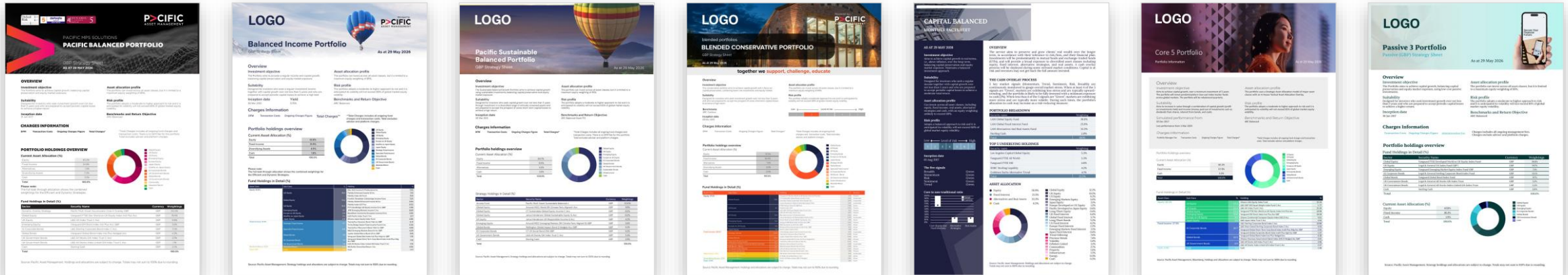


Pacific customised materials

White label strategy sheets, proposals, commentaries and outlooks, built in your brand



Strategy sheets 7 brand examples



Investment proposals 2 brand examples



Commentaries Monthly



Quarterly outlooks Quarterly



Example designs shown with placeholder logos and content, for illustrative purposes only. Data as at 29 May 2026.

The background of the slide features a grayscale image of a hand holding a glowing, translucent sphere. Inside the sphere, there are faint binary digits (0s and 1s) and a network of interconnected lines, suggesting a digital or technological theme. On the left side, there is a large, stylized arrow pointing to the right, composed of orange and pink segments.

SUMMARY

- **Consistency, Predictability, Communication**
- **Technology & Institutional Expertise**
- **Modern Asset Management Infrastructure**

About Pacific Asset Management

Modern, highly diversified, technology driven asset manager



£18.7 billion

Assets Under Management

Single Manager Funds

£9.7bn

Wholesale and Institutional Client Base
Craft Based, conviction active management

Equity
US
Emerging Markets
Global Equities

Fixed Income
Global Credit

Alternatives
G10 Macro Rates
Infrastructure

Modern Adviser Solutions

£9.0bn

Financial Advisers
Tech Enabled Model
Portfolio Solutions

Comprehensive range of multi-asset solutions across investment styles and risk profiles.

Underpinned Adviser Technology & Support.



Global multi-affiliate investment management firm, providing the optimal environment for **leading asset managers** to deliver **investment excellence**.

- Pinnacle Investment Management is growing a diverse family of world-class investment management firms (Affiliates).
- By providing Affiliates with superior non-investment services, Pinnacle ensure there is a focus on delivering investment excellence to clients.

£120bn

Funds under management

19

Affiliate fund managers

Global presence

Providing investors around the world with access to industry-leading strategies.

Pacific Multi-Asset Solutions

Institutional Investment Experience

Multi-Asset Portfolio Managers



Will Bartleet
CIO & PM

- Previously worked at HSBC for 17 years
- Ran \$5bn range of multi-asset funds
- Chairman of their Tactical Asset Allocation Committee



Will Thompson
CSO & PM

- Focuses on Sustainable Multi-Asset Portfolios and Responsible Investing Policy
- Previously Senior Portfolio Manager at HSBC AM
- Worked on multi-asset fund ranges totalling \$14 bn

Quantitative Specialists



Louis Cucciniello
*Head of
Diversifying Assets*

- Joined Pacific in 2016 after leading \$5bn in factor strategies at Deutsche Bank.
- Developed Pacific's risk premia strategies and holds degrees from Cornell, the University of Chicago, and the University of Illinois.



Ross Wright
*Head of Direct Indexing
& Quantitative Trading*

- Joined Pacific in 2021 with over 20 years' experience, including senior trading roles at Deutsche Bank and UBS.
- Holds a PhD in Mathematics from Imperial College London.

Analytics and Research



Scott Spencer
Investment Director

- Focus on manager research and income strategies
- Portfolio manager for Pacific's IPX solutions.
- Previously at Titan Square Mile, overseeing the managed portfolio service and unitised funds.



Laura Robins
Senior Investment Analyst

- Focuses analysis on fund selection, performance attribution and asset allocation



Lucian De Boinville
Portfolio Analyst

- Previously Research Manager at Valuation
- Responsible for portfolio construction, company valuations & portfolio analysis



Ramon Varela
*Sustainability &
Project Lead*

- Previously worked in sustainability consulting, focusing on investment process design and regulations
- Responsible for sustainability at PAM and in the multi-asset range



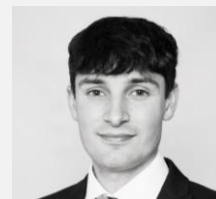
Edvardas Moseika
Quantitative Analyst

- Responsible for automating data collection, developing stock selection systems and researching the investment universe in a broad sense.



Chris Smith
*Investment Solutions
& Analytics Manager*

- Responsible for the monitoring and control of PAMs range of MPS portfolios across investment trading platforms



Joseph Watson
*Platform & Portfolio
Reporting Analyst*

- Monitoring and operations for Pacific's range of MPS portfolios
- Responsible for data management and MI reporting for MPS

Modern Model Portfolio Solutions

Utilising institutional infrastructure to power model portfolios

Core		Efficient Passive		Tailored	Sustainable	Income
CORE	GLOBAL	EFFICIENT	DYNAMIC	- Tailored to meet your firms' requirements - Built <i>with</i> you	- Conservative - Balanced - Adventurous - Aggressive	- Defensive - Balanced
- Conservative - Balanced - Adventurous - Aggressive		- Conservative - Balanced - Adventurous - Aggressive				

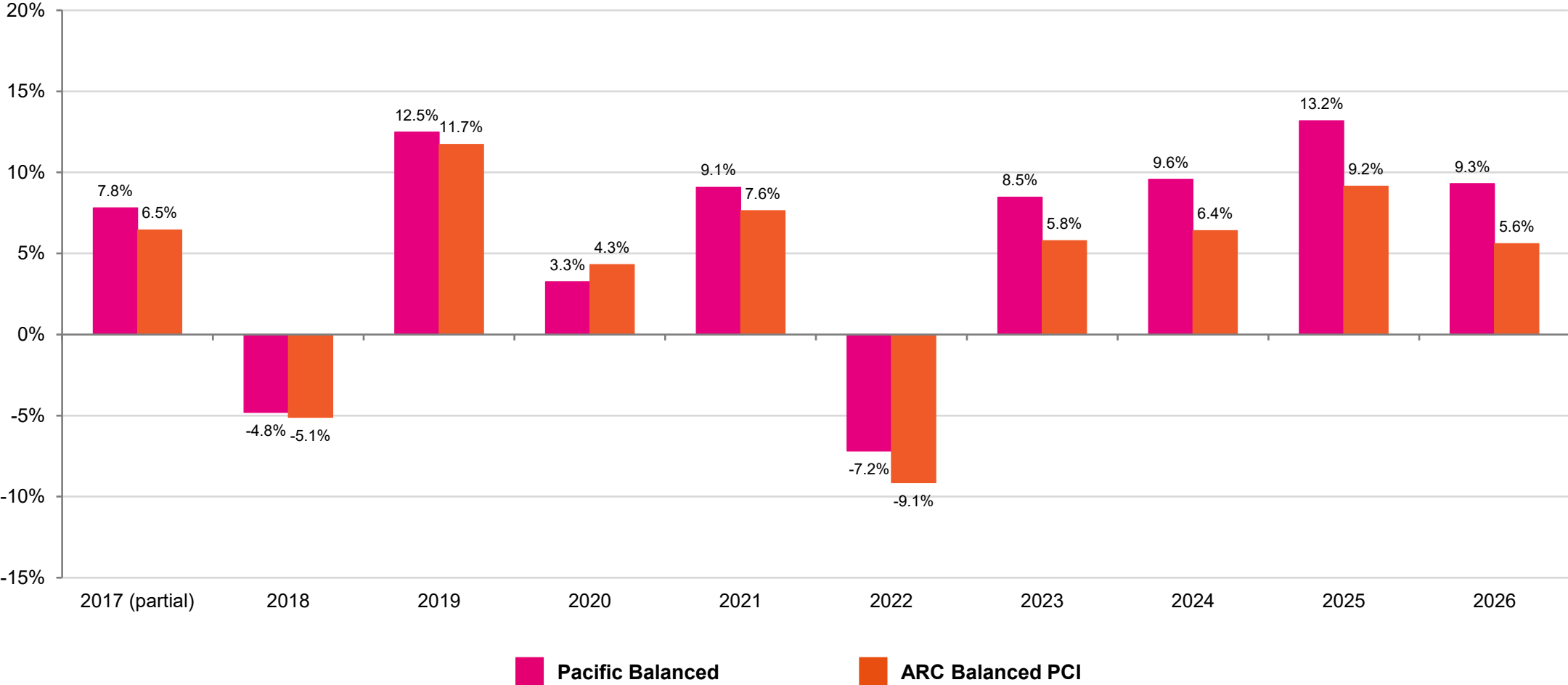


Behavioural Finance
Applied.



Pacific Blended Balanced & ARC Balanced (Consistency)

From 31 Jan 2017 to 30 Sep 2026



Past performance is not necessarily a guide to future performance and is not guaranteed. Performance is shown net of fees. Returns in GBP.
Source: Bloomberg, Pacific Asset Management 2026



THANK YOU