

EQ Model Portfolio Service Target Market Assessment

Overview of Target Market



EQ MPS Target Market Assessment				
Key: Positive target market – ie the product is intended for this aspect of the target market framework				
Negative target market – ie the product is not intended for this aspect of the target market framework				
Neutral: Neither Positive or Negative – ie manufacturer wasn't designing the product for this use but accepts it may be compatible				
Category	Explanation	MPSEQ Interpretation	Mandatory / Optional	Positive/Negative/Neutral
Client type				
- Retail - Professional - Eligible Counterparty	Neutral means that the manufacturer estimates that there is neither negative nor positive target market. This applies to all three client type categories	All EQ clients are professional Financial Advisers or eligible counterparties, albeit the end clients are retail investors. All investors are deemed to be retail investors.	Mandatory	Neutral
Knowledge & Experience				
Basic Knowledge	Investors have the following characteristics: - Basic knowledge of relevant financial instruments (a basic investor can make an informed investment decision based on the regulated and authorised offering documentation or with the help of basic information provided by point of sale); - No financial industry experience, i.e. suited to a first time investor	All clients will come to EQ via an authorised Financial Adviser. Thus, the product is designed for basic knowledge investors.	Mandatory	Positive
Informed Investor	Having one, or more, of the following characteristics: - Average knowledge of relevant financial product (an informed investor can make an informed investment decision based on the regulated and authorised offering documentation, together with knowledge and understanding of the specific factors/risks highlighted within them) - Some financial industry experience	All clients will come to EQ via an authorised Financial Adviser. Thus, the product is designed for informed knowledge investors	Mandatory	Positive
Advanced Investor	Investor having one, or more, of the following characteristics: - Good knowledge of relevant financial products and transactions - Financial industry experience or accompanied by professional investment advice	All clients will come to EQ via an authorised Financial Adviser. Thus, the product is designed for advanced knowledge investors.	Mandatory	Positive

EQ MPS: Target market assessment



EQ MPS Target Market Assessment				
Key: Positive target market – ie the product is intended for this aspect of the target market framework				
Negative target market – ie the product is not intended for this aspect of the target market framework				
Neutral: Neither Positive or Negative – ie manufacturer wasn't designing the product for this use but accepts it may be compatible				
Category	Explanation	MPSEQ Interpretation	Mandatory / Optional	Target Market Positive/Negative / Neutral
Financial Situation – Ability to bear loss				
The investor can bear no loss of capital: capital 100% guaranteed	Investor can bear no loss of capital. Minor losses especially due to costs possible.	MPS does have the ability for loss of capital due to market forces	Mandatory	Negative
The investors is seeking to preserve capital or can bear losses limited to a level specified by the product	Investor seeking to preserve capital or can bear losses limited to a level specified by the product	MPS does have the ability for loss of capital due to market forces and there is no limit applied	Mandatory	Negative
Optional percentage capital guaranteed	Investor may select a guaranteed percentage of the investment to be guaranteed against loss. (XX% of capital guaranteed)	MPS does have the ability for 100% loss of capital. There is no percentage of capital guaranteed.	Mandatory	Negative
The investor can bear losses, i.e. no capital guarantee	No Capital Guarantee nor protection. 100% capital at risk	MPS offers no capital guarantee or protection. 100% capital is at risk	Mandatory	Positive
The investor can bear losses beyond the investment amount	Loss beyond capital invested	MPS offers no capital guarantee or protection. 100% capital is at risk; no leverage is applied that would exceed loss beyond capital but costs could apply	Mandatory	Neutral

EQ MPS: Target market assessment



EQ MPS Target Market Assessment				Target Market
Key: Positive target market – ie the product is intended for this aspect of the target market framework Negative target market – ie the product is not intended for this aspect of the target market framework Neutral: Neither Positive or Negative – ie manufacturer wasn't designing the product for this use but accepts it may be compatible				
Category	Explanation	MPSEQ Interpretation	Mandatory / Optional	Positive /Negative / Neutral
Client Objectives & Needs				
Preservation	Does EQ offer portfolios with a preservation objective?	No; EQ does not offer portfolios with a preservation objective	Mandatory	Negative
Total Return	Does EQ offer portfolios with a total return objective?	Yes; EQ offers portfolios with a total return objective	Mandatory	Positive
Income	Does EQ offer portfolios with an income objective?	Yes; EQ offers portfolios with an income objective.	Mandatory	Neutral
Hedging	Does EQ offer portfolios with a hedging objective?	No; EQ does not offer portfolios with a hedging objective	Mandatory	Negative
Option or Leverage	Does EQ offer portfolios with an option or leverage objective?	No; EQ does not offer portfolios with an option or leverage objective	Mandatory	Negative
Other	Does EQ offer portfolios with any other objectives other than those considered above?	Yes; EQ offers total return portfolios with ESG & sustainable focus	Mandatory	Positive

EQ MPS: Target market assessment



EQ MPS Target Market Assessment				Target Market
Key: Positive target market – ie the product is intended for this aspect of the target market framework Negative target market – ie the product is not intended for this aspect of the target market framework Neutral: Neither Positive or Negative – ie manufacturer wasn't designing the product for this use but accepts it may be compatible				
Category	Explanation	MPSEQ Interpretation	Mandatory / Optional / Conditional / Indicative	Positive / Negative / Neutral
Client Objectives & Needs				
Specific Investment Needs (G, E, S, O)	This may include green, ethical, ESG	Our MPS range includes investments within these parameters	Mandatory	Positive
Specific Investment Needs I- Islamic	Islamic specific investment solutions	We do not offer Islamic investment solutions	Mandatory	Negative
Time Horizon: RHP – V, S, M, L, Neutral	V – very short (<1 year), S – Short (< 3 year), M – Medium (< 5 year), L – Long (> 5 years), Neutral	There is a minimum time horizon of 5 years+ for MPS portfolios	V - Mandatory S - Mandatory M - Mandatory L - Mandatory	V – Negative S – Negative M – Negative L - Positive
Maturity product: Maturity Date May be terminated early	Inclusion of structured products and direct bonds with specific maturity dates	MPS portfolios do not include any specific strategies for income over a specified time horizon. They do not hold any structured products or direct bonds. Investor may terminate investment in the MPS portfolio at any time.	Mandatory	Negative

EQ MPS: Target market assessment



EQ MPS Target Market Assessment				Target Market
Key: Positive target market – ie the product is intended for this aspect of the target market framework Negative target market – ie the product is not intended for this aspect of the target market framework Neutral: Neither Positive or Negative – ie manufacturer wasn't designing the product for this use but accepts it may be compatible				
Category	Explanation	MPSEQ Interpretation	Mandatory / Optional / Conditional / Indicative	Positive / Negative / Neutral
Risk Tolerance SRRI, SRI and LMH	Synthetic Risk and Reward Indicators (SRRI), Summary Risk Indicator (SRI)	EQ does take into account the various risk indicators of the underlying fund holdings. MPS is not defined in this manner.	Mandatory	Neutral
Distribution Strategy				
Channel: Execution only (R, P, B, Neutral)	Where a client comes to EQ based on their own analysis and after being provided with the required before sale information	EQ does not offer an Execution only service	Mandatory	Negative
Channel Non Advised with Appropriateness (R, P, B, Neutral)	Where a client comes to the EQ service based on an appropriateness test which verifies they have sufficient knowledge and experience. Non advised are investment services other than portfolio management and investment advice	EQ does not offer a non advised with appropriateness service	Mandatory	Negative
Channel Investment Advice (R, P, B)	Means that EQ gives personal recommendations to a client, either upon their request or at the initiative of the investment firm, in respect of one or more transactions relating to financial instruments (Article 4 (1) (4) MiFID II).	EQ does not provide advice	Mandatory	Negative
Channel Portfolio Management (R, P, B)	Means EQ manages portfolios in accordance with mandates given by clients on a discretionary client-by-client basis where such portfolios include one or more financial instruments.	EQ does apply Portfolio Management services	Mandatory	Positive

Glossary of Target Market



Target Market Framework		
Client type	- Retail (Positive/Negative/Neutral) - Professional (Positive/Negative/Neutral) - Eligible Counterparty (Positive/Negative/Neutral)	
Knowledge & Experience	- Investor with basic knowledge (Positive/Negative/Neutral) - Informed investor (Positive/Negative/Neutral) - Advanced investor (Positive/Negative/Neutral)	
Ability to bear loss	- The investor can bear no loss of capital: capital 100% guaranteed (Positive/ Negative/Neutral) - The investor is seeking to preserve capital or can bear losses limited to a level specified by the product (Positive/Negative/Neutral) - The investor can bear losses, i.e. no capital guarantee (Positive/Negative/Neutral) - The investor can bear losses beyond the investment amount (Positive/Negative/Neutral)	
Client objectives & needs	Return profile - Preservation (Yes/No/Neutral) - Growth (Yes/No/Neutral) - Income (Yes/No/Neutral) - Hedging (Yes/No/Neutral) - Option or Leverage Return Profile (Yes/No/Neutral) - Other (Yes/No/Neutral)	- Specific Investment Needs (G – Green, E – Ethical, I – Islamic, S – ESG, O – Other) Time Horizon - V- Very Short (<1 year), S – Short (< 3 years), M – Medium (< 5 years), L – Long (> 5 years), Neutral Maturity product: - Maturity Date
Risk Indicators	SRRI (for products using the UCITS risk indicators) SRI (for PRIIPS)	
Channel	Execution Only (R – Retail, P – Professional, B – Both, N – Neutral) Investment Advice (R – Retail, P – Professional, B – Both) Portfolio Management (R – Retail, P – Professional, B – Both)	

Important information



- EQ Investors Limited, Centennium House, 100 Lower Thames Street, London, EC3R 6DL. www.eqinvestors.co.uk
- EQ Investors Limited (registered in England, no. 07223330) is authorised and regulated by the Financial Conduct Authority and is a member of the EQ Investors Group. The registered office is c/o Ampa Holdings LLP, Level 19, The Shard, 32 London Bridge Street, London, SE1 9SG.