



Quilter Investors Assessment of Value report 2021

*Assessment as at 31 March 2021
for sub-advised funds*

Publication date 30 July 2021

Quilter
Investors



This report is an assessment of Quilter Investors’ sub-advised funds

We also operate a range of multi-asset solutions. To simplify this report, we have published a separate report on these solutions, which you can access [here](#).



Tim Breedon
Chairman
Quilter Investors

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Welcome to Quilter Investors’ second annual Assessment of Value report. This report has been compiled in line with the requirements set out by our industry regulator, the Financial Conduct Authority.

In September 2019, the Financial Conduct Authority introduced a requirement for all investment companies to produce an Assessment of Value report to help their investors determine whether the products in which they are invested represent value for money.

We recognised at the time that the Assessment of Value (AoV) process would fall short of its potential if it was limited to an annual exercise. Instead, we chose to embrace the ideals it represents, and the monitoring it requires, as a permanent and ongoing part of our business culture.

The benefits of this approach continue to be felt across our business. Despite the unprecedented challenges presented over the last 12 months, both to the way in which we do business and how we live our lives, Quilter Investors has shown tremendous resilience.

At the investment level, our portfolio managers as a whole demonstrated great expertise in navigating through the volatile market conditions and capturing much of the upside on offer as markets moved back into recovery mode.

Consequently, I’m delighted to report that this year’s AoV report once again confirms that, based on the Financial Conduct Authority’s seven pillars, our funds continue to provide value. Despite this however, we are focusing on how we can achieve further value and maintain this for our investors.

While shorter-term performance has, in some instances, been mixed, I’ve been impressed with the speed at which this has been identified and the range of options generated to address any issues that have arisen as a result.

The focus this year was on building on the areas for improvement that we identified in last year’s report, and driving progress to further improve performance, service, and value. We took a number of actions over the last 12 months, including:

- Strengthening our investment team with the appointment of an experienced multi-asset manager as the new chief investment officer (CIO) of Quilter Investors. Part of the role of the CIO is the embedding of the value assessment into our various internal investment forums and committees, enabling it to become a key part of our business decision-making.
- Development of our environmental, social and governance (ESG) investment capabilities, growing out the team and bringing powerful new systems capabilities online. During the year, we published our first annual ESG report covering our responsible investment, engagement and voting activities.
- Closure of four funds (Quilter Investors Bond 3 Fund, Quilter Investors Emerging Markets Bond Fund, Quilter Investors Europe (ex UK) Small/Mid-Cap Equity Fund and Quilter Investors High Yield Bond Fund. The fund closures were deemed necessary to ensure we are providing good customer outcomes).

- Changes to five external investment advisers as part of our ongoing oversight and governance of our appointed investment advisers.
- Continued review of our share classes to ensure that all shareholders are holding the most appropriate share classes available to them at the lowest cost for each fund.

Elsewhere, we have strengthened our Board with the appointment of Sarah Fromson as an additional independent Non-executive Director. Sarah also chairs the Investment Oversight Committee and brings a wealth of investment management industry experience to the role.

We continue to strive to improve the way in which we communicate with our many stakeholders and this publication is no exception. This year’s report includes the introduction of a new scoring table, and a glossary aimed at improving the accessibility of the information we provide.

While our results demonstrate that the vast majority of our funds are delivering value, we are not complacent. We continually aim to enhance how we assess and deliver value for our investors.

The following report details our approach, findings and actions for the period.

What this report covers

This report contains details of the Assessment of Value completed on our 44 sub-advised funds (where we have outsourced the investment management to specialist external investment advisers), set out in the table below. The funds provide global diversification and investment across a range of asset classes including equities, bonds, alternatives and commodities.

These funds are primarily used within our multi-asset funds and by our managed portfolio services. Some of these funds are not directly held by customers and are named for our internal purposes (such as the Quilter Investors Bond 1 Fund).

This report covers the assessment period for the 12 months to 31 March 2021. The assessment was conducted at fund and share class level, however, for simplicity, we have summarised the results in this report at the fund level.

Funds covered by this report
Quilter Cheviot Global Income and Growth Fund for Charities
Quilter Investors Absolute Return Bond Fund
Quilter Investors Asia Pacific (ex Japan) Equity Fund
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity Fund
Quilter Investors Asia Pacific Fund
Quilter Investors Bond 1 Fund
Quilter Investors Bond 2 Fund
Quilter Investors China Equity Fund
Quilter Investors Corporate Bond Fund
Quilter Investors Diversified Bond Fund
Quilter Investors Emerging Markets Equity Fund
Quilter Investors Emerging Markets Equity Growth Fund
Quilter Investors Emerging Markets Equity Income Fund
Quilter Investors Equity 1 Fund
Quilter Investors Equity 2 Fund
Quilter Investors Ethical Equity Fund
Quilter Investors Europe (ex UK) Equity Fund
Quilter Investors Europe (ex UK) Equity Growth Fund
Quilter Investors Europe (ex UK) Equity Income Fund
Quilter Investors Gilt Index Fund
Quilter Investors Global Dynamic Equity Fund
Quilter Investors Global Equity Absolute Return Fund
Quilter Investors Global Equity Growth Fund
Quilter Investors Global Equity Index Fund
Quilter Investors Global Equity Value Fund
Quilter Investors Global Property Securities Fund

Funds covered by this report
Quilter Investors Global Unconstrained Equity Fund
Quilter Investors Investment Grade Corporate Bond Fund
Quilter Investors Japanese Equity Fund
Quilter Investors Natural Resources Equity Fund
Quilter Investors North American Equity Fund
Quilter Investors Precious Metals Equity Fund
Quilter Investors Sterling Corporate Bond Fund
Quilter Investors Sterling Diversified Bond Fund
Quilter Investors UK Equity Fund
Quilter Investors UK Equity Growth Fund
Quilter Investors UK Equity Income Fund
Quilter Investors UK Equity Index Fund
Quilter Investors UK Equity Large-Cap Income Fund
Quilter Investors UK Equity Large-Cap Value Fund
Quilter Investors UK Equity Opportunities Fund
Quilter Investors US Equity Growth Fund
Quilter Investors US Equity Income Fund
Quilter Investors US Equity Small/Mid-Cap Fund

The following funds were closed during the assessment period and are therefore not covered in this report.

Funds not covered in this report
Quilter Investors Bond 3 Fund
Quilter Investors Emerging Markets Bond Fund
Quilter Investors Europe (ex UK) Small/Mid-Cap Equity Fund
Quilter Investors High Yield Bond Fund

To access all current literature on our sub-advised funds, please visit our literature library.

www.quilterinvestors.com/literature-library/

Meet the Board of Quilter Investors

Our Board is ultimately responsible for ensuring that all of our funds are run in the interests of our investors.

We have always been a strong advocate for the inclusion of independent Non-executive Directors at Board level as a way to ensure that our investors' best interests are always represented. Indeed, in 2018 we took the opportunity to add an additional Non-executive Director, some time before it became a regulatory requirement to do so.



Tim Breedon
Chairman

Tim has had a distinguished career in financial services, with past appointments including Group Chief Executive of Legal & General, being a Member of the Takeover Panel, and holding Non-executive Director roles with the Association of British Insurers and the Financial Reporting Council. Tim is an experienced Non-executive Director and committee member, having sat on the Board and committees of Barclays plc for a number of years.

As a former CEO of a FTSE 100 company operating in the UK long-term savings market, Tim will provide challenge, advice and support to Quilter management on business performance and decision-making.

Tim is currently a Non-executive Director of Barclays plc and Barclays Bank plc, chairing the Board Risk Committee and is a member of the Board Audit Committee, Board Nomination Committee and Board Remuneration Committee. He is also Chairman of Apax Global Alpha Limited.



Richard Skelt
Independent Non-executive Director

Richard was appointed to our Board in March 2020. He brings considerable investment management experience with a deep understanding of multi-asset investing, having helped build Fidelity's investment solutions group into a \$45bn (assets under management) business.

Richard spent 23 years at Fidelity where he held a number of senior leadership roles within the investment solutions group. He spent 18 years as a portfolio manager, where he managed multi-asset funds and proposed and managed new multi-asset solutions.

In his role as co-head of the investment solutions group at Fidelity, Richard formalised the strategic asset allocation process, created a third-party research team and launched a number of new investment products. He went on to become Chief Investment Officer there, before subsequently becoming Head of Investment, where he was responsible for oversight of all investment while providing investment leadership for the team. Richard has a BA in Biochemistry from Oxford University and an MBA from London Business School.



Sarah Fromson
Independent Non-executive Director

Sarah brings a 30 year career in the investment management industry, including senior Chief Investment Risk Officer roles at RBS Asset Management (and formerly at Coutts) and, most recently, at The Wellcome Trust, where her role spanned investment and operational risks. She stepped down from her executive career in September 2019 and is currently a Non-executive Director and Chair of the Audit Committee of asset management firm Arrowstreet Capital; Chair of JP Morgan's £350m+ Global Emerging Markets Income Trust; Chair at venture capital trust Baronsmead Second Venture Trust; and a Trustee Director of the Wellcome Trust Pension Plan and that of its subsidiary Genome Research Ltd. Sarah is also Chair of the Investment Committee of Capital Generation Partners, a high-net-worth family wealth management office.



Steven Levin
Chief Executive Officer

Steven has extensive experience in developing and distributing financial products, as well as in asset management and investments. Steven has been CEO of Quilter Investment Platform Limited (Old Mutual Wealth) since October 2015 and was instrumental in leading the implementation of the new platform technology. He was appointed CEO of Quilter Investors on 1 April 2021. Prior roles include Global Head of Distribution and Managing Director of Skandia International (now Quilter International). He also served as Product & Proposition Director for Old Mutual in South Africa and globally for Old Mutual plc. Steven is a qualified Actuary and a Chartered Financial Analyst.



Dean Bowden
Managing Director

Dean is Managing Director of Quilter Investors having been appointed to the newly-created role in November 2019. He joined Skandia Investment Group in 2007 and held several senior management positions as the business transformed to become Old Mutual Global Investors (OMGI). In 2015 he was appointed OMGI's Proposition and Commercial Director, before becoming Chief Commercial Officer at Quilter Investors upon its formation in 2018. Dean is a fellow of the Chartered Institute for Securities and Investment (CISI) and before joining the business spent nearly 10 years with Thesis Asset Management, where he was head of the Fund of Funds Managed service and fund selection team.

Summary of assessment findings

The table below summarises the outcome of our review of each of the funds using the seven assessment criteria set by the Financial Conduct Authority (FCA). We have adopted a simple colour coded rating system to illustrate the results per fund. These results are covered in further detail in the report.

Offers value

Offers value but further review may be required

Action required and in progress

Funds	Quality of services	Performance	Authorised Fund Manager costs	Economies of scale	Comparable market rates	Comparable services	Classes of units
Quilter Cheviot Global Income and Growth Fund for Charities							
Quilter Investors Absolute Return Bond Fund							
Quilter Investors Asia Pacific (ex Japan) Equity Fund							
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity Fund							
Quilter Investors Asia Pacific Fund							
Quilter Investors Bond 1 Fund							
Quilter Investors Bond 2 Fund							
Quilter Investors China Equity Fund							
Quilter Investors Corporate Bond Fund							
Quilter Investors Diversified Bond Fund							
Quilter Investors Emerging Markets Equity Fund							
Quilter Investors Emerging Markets Equity Income Fund							
Quilter Investors Emerging Markets Equity Growth Fund							
Quilter Investors Equity 1 Fund							
Quilter Investors Equity 2 Fund							
Quilter Investors Ethical Equity Fund							
Quilter Investors Europe (ex UK) Equity Fund							
Quilter Investors Europe (ex UK) Equity Growth Fund							
Quilter Investors Europe (ex UK) Equity Income Fund							
Quilter Investors Gilt Index Fund							
Quilter Investors Global Dynamic Equity Fund							
Quilter Investors Global Equity Absolute Return Fund							
Quilter Investors Global Equity Growth Fund							
Quilter Investors Global Equity Index Fund							

Summary of assessment findings (Continued)

- Offers value
- Offers value but further review may be required
- Action required and in progress

[illegible]

1. Quality of services

An assessment of the range, quality and value of the services we provide to our investors.

How we define ‘value’

Our primary service offering is aimed at supporting financial advisers and investors that recommend and buy our funds via investment platforms. We have a small number of individual retail investors that have invested directly into our funds and we continue to support those investors to ensure that the services we provide are appropriate for their needs.

Our services are those that our investors receive or experience directly and indirectly. Direct services include our investment expertise, communications and customer service. Indirect services are those that are instrumental to the operation of the funds but are in most cases not directly experienced by the investor, such as legal, compliance oversight, and the quality of our fund administration. This also includes those services that we have chosen to outsource to external providers.

We consider our offering to be providing value if we are providing these services, and monitoring those delegated, to a high standard.

How we assess ‘value’

To assess our services at fund level, we classified them into the following categories, each of which represents an element of our overall service proposition.

- 1. Customer experience:** We measure the services we provide throughout the various stages of an investor’s journey against a series of 50 key service metrics. These metrics measure customer service, product quality, relationship management, communications, and marketing services.
- 2. Investment management and operation of the funds:** This is a measure of the overall quality of our investment team and risk management processes. We assessed the skills and quality of the appointed investment advisers, our research processes, and our risk management policies and procedures.
- 3. Quality of governance and oversight:** This is a measure of the processes by which we oversee the provision of both the services that we provide ourselves and those outsourced to third parties. We also look at our oversight of product changes to ensure any decisions impacting our investors are appropriately challenged and consideration is given to good investor outcomes.

Key outcomes for this period

Customer Service: Overall, our performance against the 50 service metrics was positive throughout the period. Being able to measure investor experience more accurately allows us to identify any areas where we need to strengthen our processes. During the review, we identified that some funds have an extensive suite of marketing materials and factsheets, however, a less extensive service suite is provided for other funds. We intend to review this matter further to identify where we can make improvements. We have marked these funds as amber in our assessment findings on pages six and seven.

Investment management and operation of the funds: Quilter Investors is a well-capitalised business with a strong core resource dedicated to investment management, risk and compliance. During the pandemic and the resulting changes in working patterns, our fund operations and risk management teams were able to ensure that our services to investors, both directly and indirectly, were not interrupted. All funds maintained their liquidity during the period and no funds were suspended despite the volatile market conditions. As part of the monitoring of our external investment advisers, we review their investment processes and systems to ensure they are robust. Our research team also evaluates the skills and expertise of each investment adviser and the team managing the fund.

In the past year we have published our Responsible Investment Policy and annual ESG report. Our website has also been updated to provide enhanced resources and information for investors to better understand how we are integrating ESG into our investment processes and, more importantly, what it means for them.

Quality of governance and oversight: Our outsourced provider governance processes are robust. We actively interact with third-party suppliers to set service standards and report on these standards regularly. This includes on-site visits (where possible) and annual due diligence reviews.

During 2021, oversight of our appointed investment advisers was enhanced through the appointment of an experienced additional headcount in the Operational Due Diligence team. Investment advisers are subject to an annual due diligence process, and are required to provide regular attestations confirming their compliance with, among other things, the objectives and investment policies of the fund(s) they manage. Our investment committees review the results of the due diligence process to ensure the ongoing suitability of each investment adviser.

How we are improving

Our review identified that, while we are providing value in a number of areas, we can improve this further. A number of actions have been identified some of which are already in flight. This includes an enhancement of our understanding of vulnerable customers in line with the FCA’s requirements. We have recently appointed a third-party consultancy to complete a review of our governance processes and our fund documentation to help identify any areas where we can make improvements.

While we have started our journey in terms of developing and implementing our responsible investment approach across Quilter Investors, our primary focus remains making sure that the solutions we offer, best meet the needs of our investors in a rapidly evolving landscape. This means considering the wider impact of our investments in helping to secure a more sustainable future, in addition to delivering the desired investment outcomes. For our sub-advised funds, our focus is on ensuring the investment adviser invests in accordance with our Responsible Investment Policy and considers elements of Responsible Investing throughout their investment process. As part of the due diligence process, we have started to review each investment adviser’s ESG Policy, voting and engagement activities.

2. Performance

An assessment of the performance of our funds (after charges¹) relative to each fund’s investment objective, policy and target benchmark.

How we define ‘value’

A fund is considered to be providing value if it has met its investment objective, been managed consistently to its policy and strategy, and performed well against its benchmark (if applicable) after charges².

How we assess ‘value’

Our assessment looks at various elements which collectively contribute to the fund’s overall outcome including:

- **Appropriate time period:** Our funds have been designed for investors with a medium to long-term investment horizon. Our focus is typically on the fund’s five-year performance up to 31 March 2021 or since launch if that is less. To evaluate whether performance has been consistent over varying market cycles and conditions, we also look at rolling returns from the fund launch date.
- **Fund objective:** Fund objectives usually include an aim to generate capital growth, income or to outperform a benchmark. We assess whether each of the funds is meeting its objective and fulfilling investors’ expectations.

- **Benchmark:** Benchmarks are usually a market index or peer group to which a fund’s performance is targeted. We look at how the funds have performed relative to their benchmarks. The Quilter Investors Global Equity Absolute Return Fund does not have a target benchmark. For this fund we measure value based on the fund’s delivery against its objective.
- **Fund strategy:** This is the investment approach the fund offers such as providing active management or replicating an index. We measure if a fund has delivered its strategy in line with the investment policy and investment style.
- **Future performance expectations:** We consider whether the funds are being managed and are positioned appropriately to continue to deliver their objectives. To do this, we also consider the approach and ability of each appointed investment adviser to deliver on the relevant fund’s investment objective in the future.

The key outcomes of our assessment for this period

Our focus this year was about building on the commitment made in our 2020 report to ensure our funds continue to deliver value.

Based on our assessment of the 44 funds in this report we concluded:

- 29 funds (66%) delivered their primary investment objectives and outperformed their target benchmark over the five-year period (or since launch if less than five years).
- 13 funds (29%) delivered their primary investment objectives, however their long-term performance was below the anticipated level. We have already taken action on these funds and will continue to monitor them closely. Four of these funds were launched in 2019 and therefore have a track record less than the minimum recommended holding period of five years.
- Two funds (5%) have been flagged as requiring action based on their overall performance. Action has already been taken on both funds, and we continue to monitor them closely in conjunction with the investment adviser.

Our findings for each of the funds are provided overleaf.

How we are improving

We acknowledge that sometimes funds may underperform. Where this is the case our focus is on what measures we need to take to deliver value for investors in the future.

In last year’s assessment we reported that 21 of our funds were performing below the anticipated level for the period. Since then, we have closed four of these funds (Quilter Investors Bond 3 Fund, Quilter Investors Emerging Markets Bond Fund, Quilter Investors Europe (ex UK) Small/Mid-Cap Equity Fund and Quilter Investors High Yield Bond Fund).

¹ Includes all charges as outlined in the fund prospectuses and includes the transaction costs of buying and selling investments within the funds.

² The specific details for each fund, including the investment policy, objective and charges, are explained in the Key Investor Information Documentation (KIID) available on the Quilter Investors website. Fund performance is also available in the KIID.

2. Performance (Continued)

Funds	Conclusions/actions
<p>Quilter Investors</p> <ul style="list-style-type: none">– Absolute Return Bond Fund*– Asia Pacific (ex Japan) Equity Fund– Asia Pacific (ex Japan) Large-Cap Equity Fund– Bond 1 Fund– China Equity Fund– Corporate Bond Fund*– Diversified Bond Fund*– Emerging Markets Equity Fund*– Emerging Markets Equity Growth Fund– Emerging Markets Equity Income Fund*– Equity 1 Fund– Europe (ex UK) Equity Fund– Europe (ex UK) Equity Growth Fund– Global Equity Growth Fund– Global Equity Value Fund– Natural Resources Equity Fund– Sterling Diversified Bond Fund*– UK Equity Fund*– UK Equity Growth Fund– UK Equity Income Fund*– UK Equity Large-Cap Value Fund– UK Equity Opportunities Fund– US Equity Growth Fund– US Equity Small/Mid-Cap Fund– Quilter Cheviot Global Income and Growth Fund for Charities*	<p>These funds aim to provide income and/or capital growth while outperforming their target benchmarks, after charges, over rolling five-year periods.</p> <p>How did the funds perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the funds achieved their investment objectives and outperformed their benchmarks after charges. The funds delivered in line with their investment policies and active investment style.– Looking ahead, based on our assessment of our investment advisers’ expertise, track record and investment processes, we have confidence that each of these funds can continue to meet their objectives and provide value.– *These funds have a track record less than the minimum recommended holding period of five years. Performance was measured from the fund launch date through to 31 March 2021. <p>Our assessment concluded that the funds have provided value to investors by delivering against their primary objectives and outperforming their benchmarks over the five-year period since launch.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors <ul style="list-style-type: none">– Gilt Index Fund– Global Equity Index Fund– UK Equity Index Fund	<p>These are passively managed funds that aim to track the performance of a specific market index before charges. The target benchmark for Quilter Investors Gilt Index Fund is the ICE BofAML UK Gilt Index, for Quilter Investors Global Equity Index Fund the FTSE Developed ex UK Index, and for Quilter Investors UK Equity Index Fund the FTSE All-Share Index.</p> <p>How did the funds perform?</p> <p>Over the five-year period to 31 March 2021, the funds performed in line with their benchmarks and in accordance with their investment policies and passive management investment style.</p> <p>Our assessment concluded that the funds have provided value to investors by delivering against their primary objectives of tracking their benchmarks within a reasonable margin.</p>
Quilter Investors <ul style="list-style-type: none">– Equity 2 Fund	<p>The fund aims to achieve capital growth and income and to outperform the FTSE All-Share Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth objective, but underperformed the benchmark after charges. This was in part due to the investment adviser’s ‘value’ investment approach, a strategy that has that not performed as well as other strategies in recent years. Value investing targets shares in companies that the investment adviser believes are of good quality, but which have been overlooked by the market and are trading at a significant discount to their intrinsic or ‘book’ value.– A new investment team within the current investment adviser’s group was appointed in September 2020. As part of this change, the fund’s investment approach was also adjusted. We continue to monitor this change and its impact on the fund’s performance. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We will continue to closely monitor the fund.</p>
Quilter Investors <ul style="list-style-type: none">– Ethical Equity Fund	<p>The fund aims to achieve income and capital growth through investment in companies that demonstrate sound ethical practice and to outperform the FTSE World Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark after charges.– The fund operates a negative screen to avoid activities that are considered unethical such as gambling, alcohol, tobacco, animal testing and armaments. There is also a positive screen to focus the fund’s investment on companies that promote efficiency in areas such as energy, water, and food. As a result, the fund’s holdings may differ significantly from that of the benchmark and therefore lead to periods of performance that deviate from that of the benchmark.– Changes were made in 2019 to expand the number of technology securities in the fund’s investment universe without compromising the ethical screen that is applied. This change led to the fund outperforming the benchmark in 2019.– The fund has seen a marked improvement in performance after a very difficult 2018 period. While the five-year figure is lagging the benchmark, this reflects the weak returns in 2018. Returns improved in 2020 and the fund ended the year marginally behind the benchmark. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. Whilst the fund has underperformed its benchmark over the past five years, there is considerable improvement over the shorter period, and the outlook is positive.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors – Europe (ex UK) Equity Income Fund	<p>The fund aims to achieve income and capital growth and to outperform the MSCI Europe ex UK Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– The fund was launched in 2017 and therefore has a track record less than the minimum recommended holding period of five years.– Since launch date to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark after charges.– Changes to the investment team managing the fund (within the current investment adviser’s group) were made in 2020. Although it is too early to assess the impact of these changes, short-term performance has been positive. Over the 12 months since the last AoV report, the fund has outperformed the benchmark and continues to deliver its objective. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We remain comfortable that the actions being taken to improve performance are appropriate to assist the fund in delivering value over the long-term. We will continue to assess the fund, as its performance track record develops, over the five-year minimum recommended holding period.</p>
Quilter Investors – Global Dynamic Equity Fund	<p>The fund aims to provide a total return from capital growth and income and outperform the MSCI All Countries World Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark after charges.– The fund is a global multi-manager fund that includes several investment advisers each directly managing a portion of the fund’s assets to create a diversified portfolio of global equities. Some of the investment advisers employ a ‘value’ investment approach in their portfolios, which has not fared as well as some other strategies in recent years and this contributed to the underperformance of the fund. Value investing targets shares in companies that the investment adviser believes are of good quality, but which have been overlooked by the market and are trading at a significant discount to their intrinsic or ‘book’ value.– We have taken steps to address this style bias, which has improved performance. Over the 12 months since the last AoV report, the fund has outperformed the benchmark and continues to deliver its objective.– In our last AoV report, we explained that we appointed a new investment adviser to the fund in September 2019. While we have seen positive influences on the fund’s performance as a result, this type of change is generally a long-term one that requires time to embed. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We remain comfortable that the actions being taken to improve performance are appropriate to assist the fund in delivering value over the long-term. We will continue to closely review and monitor the fund.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors – Global Property Securities Fund	<p>The fund aims to achieve a combination of income and capital growth and to outperform the FTSE EPRA/NAREIT Developed Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark after charges.– The fund had relatively weak performance in 2019, which has had an impact on the long-term performance. This was in part due to holdings that were underweight to industrial REITs (which did well during the period) and overweight to German residential holdings (which did poorly during the period).– The investment adviser has made changes to the portfolio holdings to address this. In the 12-month period subsequent to last year’s report, performance has improved, particularly in the first quarter of 2021. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We will continue to closely monitor the fund and discuss with the investment adviser any further enhancements that can be made to improve performance.</p>
Quilter Investors – Global Unconstrained Equity Fund	<p>The fund aims to provide total return from capital growth and income and to outperform the MSCI All Countries World Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark after charges. This was due in part to the fund’s ‘value’ investment approach. Value investing targets shares in companies that the investment adviser believes are of good quality, but which have been overlooked by the market and are trading at a significant discount to their intrinsic or ‘book’ value. This style of investment approach has not fared as well as some other strategies, particularly in 2020.– In our last AoV report, we explained that we had appointed a new investment adviser to the fund in September 2019. We are continuing to work with this investment adviser to understand what enhancements can be made to the fund to improve performance.– Over the 12 months since this report, the fund has outperformed the benchmark and continues to deliver its total return objective. Despite this however, the long-term performance of the fund continues to lag the benchmark and ongoing monitoring is required. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. A new investment adviser was appointed in November 2019. We are continuing to monitor this investment adviser, its investment processes, and their impact on the fund’s performance.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors <ul style="list-style-type: none">– Bond 2 Fund– Investment Grade Corporate Bond Fund	<p>These funds aim to achieve a combination of income and capital growth while outperforming their target benchmark after charges over rolling five-year periods. The target benchmark for Quilter Investors Bond 2 Fund is the ICE BofAML Sterling Non-Gilt Index and the target benchmark for Quilter Investors Investment Grade Corporate Bond Fund is the ICE BofAML Sterling Corporate Index.</p> <p>How did the funds perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the funds achieved their capital growth and income objectives, but underperformed their benchmarks after charges. This was partially due to the defensive stance of the investment advisers, which meant the portfolios were relatively underweight to the higher-risk benchmark constituents that drove benchmark returns over the period.– We remain confident in the investment advisers’ current defensive approach and we would expect performance improvements if there is a period of steadily rising bond yields over the next few years. <p>Our assessment concluded that these funds have delivered their primary objectives, however their long-term performance against the benchmarks was below the anticipated level of value. We will continue to closely review and monitor these funds, and we will discuss the investment processes that the appointed investment advisers take and how these are affecting performance.</p>
Quilter Investors <ul style="list-style-type: none">– Japanese Equity Fund	<p>The fund aims to achieve capital growth and to outperform the MSCI Japan Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth objective, but underperformed the benchmark after charges.– The fund had a change of investment team (within the current investment adviser’s group) in July 2019, when the long-term portfolio manager retired. This has resulted in some changes to the portfolio weightings and style in line with the investment policy.– Short-term performance remains behind the benchmark, the exception being the first quarter of 2021 when the fund outperformed the benchmark. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We will continue to monitor the new investment team, its investment processes and their impact on the fund’s performance.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors <ul style="list-style-type: none">– North American Equity Fund– Global Equity Absolute Return Fund– Asia Pacific Fund	<p>These are Feeder funds that invest at least 85% of their assets into their applicable Master funds (as detailed in the fund prospectuses). The Feeder funds may also hold up to a maximum of 15% of their assets in money market instruments, deposits and cash.</p> <p>How did the funds perform?</p> <ul style="list-style-type: none">– The funds were launched in 2018 and therefore have a track record less than the minimum recommended holding period of five years.– Since launch date to 31 March 2021, Quilter Investors Asia Pacific Fund achieved its capital growth objective and outperformed the benchmark (MSCI All Countries Asia Pacific ex-Japan Index with net dividends reinvested) for the same period after charges.– Since launch date to 31 March 2021, the Quilter Investors North American Equity Fund achieved its capital growth objective, but underperformed the benchmark (the MSCI North America Index) for the same period after charges.– The Quilter Investors Global Equity Absolute Return Fund does not have a benchmark, therefore performance is measured based on the achievement of its investment objective. Since launch date to 31 March 2021, the fund failed to achieve its capital growth objective.– The Master funds use a systematic investment approach that utilises mathematical modelling, computer systems and data analysis to select investments. Changes have been made to this investment model. In the 12-month period subsequent to last year’s report, both funds have generated positive returns after charges. During this period, the Quilter Investors North American Equity Fund also outperformed its benchmark. <p>Our assessment concluded that the Quilter Investors Asia Pacific Fund provided value to investors by delivering its primary objective, and outperforming the benchmark since inception. The Quilter Investors North American Equity Fund delivered its primary objectives, however the performance against the benchmark index since inception was below the anticipated level of value. The Quilter Investors Global Equity Absolute Return Fund does not have a target benchmark therefore it was measured relative to its objective, which it failed to achieve over the period since launch. Ongoing monitoring of this fund is currently in place.</p> <p>We remain comfortable that the actions being taken to improve performance are appropriate. We will continue to assess the funds as their performance track record develops over the five-year recommended holding period.</p>
Quilter Investors <ul style="list-style-type: none">– Precious Metals Equity Fund	<p>The fund aims to achieve capital growth and to outperform the FTSE Gold Mines Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– Over the five-year period to 31 March 2021, the fund achieved its capital growth objective, but underperformed the benchmark after charges.– The fund gains exposure to precious metals primarily by investing in mining companies. The fund’s benchmark is highly concentrated with the two largest companies comprising over 40% of the benchmark.– Due to concentration restrictions in the FCA’s rules (that prevent investment in a single company being greater than 10% of a fund), the fund will always be underweight to these larger companies meaning there will be periods when it is not able to outperform the benchmark.– In the 12-month period subsequent to last year’s report, the fund has generated positive returns after charges and outperformed the benchmark. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. A review of the benchmark was completed, and we have deemed the current benchmark is no longer appropriate and we are taking action to address this.</p>

2. Performance (Continued)

Funds	Conclusions/actions
Quilter Investors <ul style="list-style-type: none">– Sterling Corporate Bond Fund– UK Equity Large-Cap Income Fund	<p>These funds aim to provide income and/or capital growth while outperforming their target benchmarks, after charges, over rolling five-year periods. The target benchmark for the Quilter Investors Sterling Corporate Bond Fund is the ICE BofAML Sterling Non-Gilt Index and the target benchmark for Quilter Investors UK Equity Large-Cap Income Fund is the FTSE All-share Index.</p> <p>How did the funds perform?</p> <ul style="list-style-type: none">– Over the five-year period up to 31 March 2021 both funds achieved their primary growth and income objectives, but underperformed their benchmarks after charges. This was in part due to weaker returns in 2018. Despite positive performance subsequent to this, the five-year returns of both funds remain behind the benchmarks.– In the 12-month period since last year’s report, the funds have generated positive returns and outperformed the target benchmarks after charges. <p>Our assessment concluded that the funds have delivered their primary objectives, however their long-term performance against the benchmarks is below the anticipated level of value. We will continue to closely review and monitor these funds, and discuss the investment processes that the appointed investment advisers take and how these are affecting performance.</p>
Quilter Investors <ul style="list-style-type: none">– US Equity Income Fund	<p>The fund aims to achieve a combination of income and capital growth and to outperform the MSCI North America Index, after charges, over rolling five-year periods.</p> <p>How did the fund perform?</p> <ul style="list-style-type: none">– The fund was launched in 2018 and therefore has a track record less than the minimum recommended holding period of five years.– Since launch date to 31 March 2021, the fund achieved its capital growth and income objective, but underperformed the benchmark for the same period. Overall, 2020 was difficult for the fund due to its value and income focused strategy which lagged the wider market as growth companies materially outperformed. Value investing targets shares in companies that the investment adviser believes are of good quality, but which have been overlooked by the market and are trading at a significant discount to their intrinsic or ‘book’ value.– The investment adviser has made changes within the portfolio to address this, including an increased weighting to Financials and Consumer Discretionary holdings, which has resulted in improved performance over the short-term. <p>Our assessment concluded that the fund has delivered its primary objective, however the long-term performance against the benchmark was below the anticipated level of value. We remain comfortable that the actions being taken to improve performance are appropriate and will assist the fund in delivering value over the long-term. We will continue to assess the fund, as its performance track record develops, over the five-year minimum recommended holding period.</p>

3. Authorised fund manager costs

An assessment of the costs of providing relevant services (such as fund management and administration) and whether the overall charges paid by investors are reasonable when compared to these costs.

How we define ‘value’

We consider we have delivered value when we can demonstrate that the component costs that make up the ongoing charges figure (OCF) are reasonable compared to the actual charges paid by investors for the service itself.

How we assess ‘value’

We reviewed the component costs that investors pay and assessed their reasonableness compared to the overall level of service provided. Component costs include:

- **Administration costs:** such as transfer agency, custody and fund accounting (which have been outsourced to third-party providers).
- **Investment costs:** the fees paid to our investment advisers for managing the funds.
- **Rebates:** which are paid to distributors on specific share classes; and
- **Quilter Investors’ management charges:** which cover our centralised corporate costs in operating each fund.

In assessing the component costs we looked at the cost reasonability given the fund type and strategy. For example the administration and custody costs on an emerging markets equity fund may be more expensive than a UK equity fund given the markets it invests in. Where benchmarks are available we also used this information to measure our costs against.

Where any of these costs relate to a third-party supplier, we also looked at how we review our outsourced arrangements, to ensure investors are benefiting from getting competitive rates.

The key outcomes of our assessment for this period

Our assessment concluded that each of the component costs were appropriate relative to the overall charge paid by investors. These costs are disclosed to investors in the Key Investor Information Documents (as the OCF figure) which are available on our website.

Our assessment concluded that the investment costs are reasonable considering the type of fund and the appointed investment adviser. Some strategies can generally be more expensive to run due to the specialist nature of the fund and the associated cost of getting access to markets or strategies. Similarly, some investment advisers may cost more given their expertise and proven track record in managing a specific strategy type. The investment costs are reviewed quarterly by a dedicated internal team to ensure they remain competitive.

The costs of fund administration are regularly assessed, and we have a robust process in place to ensure they are benchmarked to other providers and renegotiated periodically. During the period, our transfer agency costs were reviewed by an independent agency and determined to be competitively priced compared to other suppliers.

Our corporate costs, which include items such as rent, marketing and hardware, are regularly monitored. Those corporate costs that we share with the wider Quilter group (centralised costs) are also reviewed by our Board to ensure that they are appropriate and reasonable.

Our rebate payments are of an appropriate level based on the size of the investment being made. Rebate arrangements attract distributors, increasing the overall fund size, which benefits all investors.

How we are improving

Effective management of costs is a key requirement for providing value to investors. We will continue to monitor all of our costs and our resulting charges and will reduce these charges where we find opportunities to pass savings on to investors. To improve transparency on our costs and charges, work is also underway to improve the disclosure of fund costs and charges on product literature and our website.

4. Economies of scale

An assessment of whether we have been able to realise economies of scale and pass these onto investors.

How we define ‘value’

We define value as our ability to actively seek savings arising from economies of scale across our cost base and ensuring that, wherever possible, we share these with our investors. We do this via reduced charges or through reinvestment back into our business to enhance the processes and services that we provide to investors.

How we assess ‘value’

Alongside our assessment for the authorised fund manager costs criteria, we look at year-on-year changes in costs and ongoing trends to identify where we are realising economies and when they should be passed on to investors, or reinvested for the benefit of investors. These savings are referred to as economies of scale and may arise as a result of growth in the number of investors or assets under management within a fund.

Economies of scale can be achieved because we are able to use the size of our business and the amount of funds we have under management to negotiate and obtain lower prices. This means that investors in all of our funds, regardless of size, can benefit, either directly or indirectly, from any realised economies of scale.

The key outcomes of our assessment for this period

Our assessment concluded that improving economies of scale is a key part of our business.

We continue to seek economies and, when we can, to pass this benefit along to our investors. Over the past 12 months we were unable to realise any economies of scale for the funds in this report that could be passed back to investors.

One of the benefits of our business growth, is the ability to leverage the aggregate size of our assets to obtain better rates from third party suppliers of services.

We regularly review these commercial arrangements with service providers and fund managers, to ensure we are paying competitive prices and use our scale to renegotiate rates on material contracts. We have a dedicated team that reviews and monitors the rates we pay to our investment advisers to ensure that any economies of scale created, such as through an increase in the size of the fund, are maximised through lower fees. This allows us to appoint investment advisers to the funds at competitive rates and to access investment strategies that may not normally be available to retail investors.

How we are improving

Passing on charge reductions allows our investors to share in the benefits of our growth and scale. We are continually looking for opportunities to identify any economies of scale that can provide further savings to our investors.

5. Comparable market rates

An assessment of our charges compared to similar funds managed by other asset management firms.

How we define ‘value’

We consider our funds to be good value if they have a competitive charge compared to the wider market and if that charge is reflective of the quality of the fund and the services that we provide.

How we assess ‘value’

In assessing the comparable market rates of our funds, the OCF for each share class is compared to that which investors would pay elsewhere for a similar share class and fund.

At a share class level, we considered the type of share classes that we currently offer i.e. ‘bundled’ or ‘unbundled’.

Bundled share classes are those available to a narrow group of investors that are eligible to receive a rebate. When assessing these share classes, we take into account the rebate paid to investors, to enable a comparable assessment against charges investors would pay elsewhere.

Unbundled share classes do not include any commission or rebate payments, and the OCF is assessed against comparable peer groups.

We identified comparable funds (or peers) as being those that have a similar investment objective (such as ‘income’ or ‘growth’), or a similar strategy (such as the type of assets, fund of fund), region or sector.

To ensure a thorough assessment, we also measured our funds against other funds in both the Investment Association sectors and the assigned Morningstar categories.

Using these independent sectors and categories provides different perspectives while also ensuring that we did not just focus on the primary or cheapest share classes that are on offer.

The key outcomes of our assessment for this period

Our latest assessment concluded that the overall charge for investing in each of our funds remains attractive and broadly consistent with the charge for investing in comparable funds available in the market. This result is aligned with our previous year’s assessment.

We found that the charges on all of our unbundled share classes in this assessment were ranked as being competitive relative to the average price of comparable funds in the same Investment Association sector (or other appropriate peer group). In many instances a number of these share classes were priced at the cheaper end of the spectrum, relative to their respective peer groups.

When assessed against the respective peer groups, the OCF (after rebates) of the bundled share classes in this assessment were deemed reasonable. These share classes are available only to a narrow group of investors that have bespoke commercial arrangements entitling them to a rebate that reduces the full OCF.

During the period we communicated our intention to reduce the charges on the below fund and associated share classes by 0.08%.

Fund	Date of change
Quilter Investors Global Property Securities Fund	1 August 2021

How we are improving

We ensure that our funds remain competitively priced and that they continue to provide good value, by assessing them regularly relative to similar funds in the market. Additionally, we continue to test our offering based on feedback from distribution partners who deal directly with a broad range of competitors and end investors.

6. Comparable services

An assessment of whether any funds or services offered by any part of the Quilter group are comparable to any of Quilter Investors' funds and whether the charges for those comparable funds or services are consistent.

How we define 'value'

For us, value is ensuring that our charges for a specific fund and share class are appropriate when compared to:

- similar funds or services that Quilter Investors may offer, and
- similar funds or services that other companies in the Quilter group may offer.

Our assessment is focused on comparing similar funds and services to those available across Quilter Investors (including the service to our Irish fund) but excludes segregated mandates. Segregated mandates are portfolios designed and run specifically for institutional investors, which are not part of our service offering. While we don't provide segregated mandates, institutional investors can still access our funds through our lower priced share classes or those paying a rebate.

How we assess 'value'

To determine whether the funds in this report are comparable to another service or product provided by either Quilter Investors or an associate of ours, we review whether the following features of our funds are the same or similar to other funds or services being offered:

- fund investment management style/resources;
- fund strategy (i.e active/passive) and objectives;
- the size of the fund/service;
- the type and scope of the service(s) provided (for example, a risk-targeted multi-asset portfolio).

Where we identified comparable products or services, we measured the charges of the relevant product or service against the fund in question. Where they are not similar we have to satisfy ourselves as to why this is the case.

The key outcomes of our assessment for this period

Our latest assessment concluded that the charges levied are suitable, and that each of the funds in this report offers value compared to similar funds and services offered within the Quilter group of companies. There are a number of partially comparable services offered by other parts of the Quilter group as well as comparable funds within Quilter Investors. For each of these, we found charges to be generally similar, but where there were differences these could be reasonably explained by taking account of the different services provided.

How we are improving

We continue to consider and monitor the charges of our funds and new or existing investment management services provided across the whole Quilter group.

7. Classes of units

An assessment of whether investors are invested in the lowest-cost share class that is available (and suitable) for them.

How we define ‘value’

We consider that we are providing value to investors if:

- Our investors are holding the lowest-cost share class available to them; and
- We are providing a range of share classes that meet investor needs.

How we assess ‘value’

As part of our ongoing assessment, we consider the charges for each share class against the pricing of other share classes within the same fund, which enjoy similar rights. Where the rights are similar, but the charges are higher, we assess whether it is appropriate for investors to remain invested in this share class given the higher charges.

We currently offer bundled and unbundled share classes depending on the investor type and whether they are eligible to receive a rebate or not.

Share class	Minimum initial investment levels <i>(varies based on fund)</i>	Share class description
Class A	£1,000	These are bundled share classes and, in all instances, the highest priced share classes on offer. The client base predominantly consists of intermediaries whose businesses remain eligible for commission or legacy business.
Class R	£5,000,000 to £15,000,000	The client base predominantly consists of intermediaries whose businesses remain eligible for commission or rebates.
Class U1 Class U2	£15,000,000 to £100,000,000	These share classes are offered to institutional investors who either satisfy the investment minimums or have agreed specific terms of business with Quilter Investors. The OCF of these share classes is lower than those for share classes A and R, considering the minimum investment size (approx. £100m+).

Outside of the above standard share classes, a number of share classes were created to facilitate investment from one fund to another as part of a fund merger (e.g. O and L share classes) or for fixed-term promotional purposes (F share class). These share classes are not intended for new business.

The main (although not the sole) focus of our review is on the bundled share classes, which are only available to a narrow group of investors who are eligible to receive a rebate.

Given the higher cost of these share classes, our focus is around ensuring only investors with the relevant commercial arrangements (rebates) are invested in them.

A description of our share classes

Quilter Investors offers a range of share classes with varying eligibility criteria and charges to accommodate the different needs of our investors. Our share classes are designed primarily for distribution through platforms.

Share classes have different terms such as investment minimums (the minimum amount you need to invest) and different costs (how much you pay annually for your investment).

The following is a summary of our standard share classes and an explanation of the typical investor:

The key outcomes of our assessment for this period ¹

Our assessment concluded that the vast majority of our investors were deemed as being invested in the most appropriate share class available to them. Only 16 investors were identified who could benefit from being moved to a cheaper share class in the same fund. We have written to these investors and their share class conversions are currently in progress.

- As part of the commitment we made in our 2020 report, a further 256 investors with holdings across 13 share classes were converted from a more expensive share class to a cheaper class in the same fund during the last 12 months. The conversion provided an average saving of between 0.5%-0.75% on the OCF per annum paid by these investors.
- We have implemented additional controls in our dealing process to ensure investors are provided with access to the most appropriate share classes available to them. It is anticipated that these controls will minimise the number of investors holding share classes where a cheaper alternative is available to them.

How we are improving

Although we made measurable progress during the period under review, we continue to challenge how we assess and ensure value for our investors.

We will continue to monitor our share class offering to ensure it complements the needs of our investor base.

¹ Includes investors across all our funds, not just those covered in this report.

Glossary

Active management

An investment adviser aims to achieve higher returns than the benchmark or the relevant sector they use for judging their performance by actively choosing stocks they believe will be the best performers.

Benchmark

An index or similar measure (such as the Consumer Price Index) set by Quilter Investors that is part of a target for the fund’s performance to match or exceed, and forms part of the fund objective.

Capital growth

This represents the increase in the value of the capital (or the initial amount invested). It does not include income.

Dividend

This is income that is paid by companies out of their profits and is paid to the shareholders, i.e., those who have bought shares in the company. Dividends are usually paid annually or every six months.

Financial Conduct Authority

The FCA is a regulatory body which supervises financial services firms and is responsible for making rules and for enforcing and overseeing financial regulation. It was created by the Financial Services and Markets Act 2000. The FCA is responsible for regulating how business in retail and wholesale markets is carried out (commonly known as conduct of business). Its aim is to make sure that firms put the wellbeing of their customers at the heart of what they do. For example, the FCA oversees consumer protection and will make sure that financial markets operate with honesty.

Fixed income

A term used to describe investments such as bonds, which pay interest at a fixed rate over the term of the investment.

Fund of funds

A fund that invests in other funds rather than investing directly in assets (such as cash, bonds, shares or property) to meet its investment aim.

Growth companies

Companies with the potential to grow their earnings significantly over time. Such companies typically reinvest earnings into the business to fund future expansion.

IA sector

IA Fund categorisation into sectors based on assets, such as equities and fixed income and, in some instances, geographic focus.

Income fund

A fund that aims to pay out a higher than average income.

Index

An indicative measure of the value of a sector of shares in a market. An example of this is the FTSE 100 Index, which represents the UK’s largest (or top 100) companies listed on the stock exchange by market capitalisation.

Institutional investor

A company or organisation that invests money on behalf of other people such as a life or pensions company. These investors often trade in larger amounts compared to retail investors.

Investment Association (IA)

The trade body and industry voice for UK investment managers.

Investment strategy

An asset allocation chosen to increase the probability of achieving a stated aim or outcome.

Overweight

An overweight portfolio holds a larger amount of a particular security (or holds a larger amount of a particular sector) when compared to the weight of that security (sector) held in the benchmark.

Passive investment

A style of management where a fund’s portfolio mirrors a market index.

Portfolio

A term used to describe the holdings and different types of instruments that make up your investment, for example shares, unit trusts, bonds, cash and so on.

Segregated mandate

An investment portfolio that is managed on behalf of an institutional investor.

Underweight

An underweight portfolio holds a smaller amount of a particular security (or holds a smaller amount of a particular sector) when compared to the weight of that security (sector) held in the benchmark.

Volatility

The movement in the price of a security.

Weighting

This represents the percentage allocation of each sector, region or investment type in a portfolio or index.

Quilter Investors:
expertly designed
multi-asset solutions.

For more information visit quilterinvestors.com

Important information

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