Attivo Investments APEX Accumulation Progressive Portfolio

The Attivo Investments APEX Accumulation Progressive portfolio is constructed using some passive building blocks to provide market exposure at a low cost, but the predominant content is actively managed mandates, which are looking to generate growth higher than the index by taking advantage pricing anomalies – we term these anomalies as "alpha sources". The portfolio is constructed with a medium-to-high level of risk in mind, and the financial objective in mind is capital accumulation.

Goals-Based Investment Theory

The Attivo Investments range of Managed Portfolio Services utilise the theory of "goals-based investing". This theory states that investment solutions should be tailored to an individuals' personal financial goals. Typically, financial goals will fall into one of three categories:

1) Capital accumulation.
2) Capital preservation.
3) Income generation.

The Attivo Investments APEX Accumulation Progressive portfolio fits into the "capital accumulation" category, and so the underlying holdings will in the aggregate look to mirror this approach. For example, there will be a bias towards growth markets within the equity content, and a more growth-orientated focus to the fixed income holdings too. As we venture up the risk scale, so the allocations to areas such as emerging markets and small-cap will increase, in a bid to generate additional alpha – consistent with the objectives of the clients invested.

APEX Investment Style

Whilst the Attivo Investments APEX Accumulation Progressive portfolio will contain some passive building blocks in areas we perceive little active value to be obtained, but there will be a focus on actively managed building blocks to achieve superior risk-adjusted returns.

We will look to identify "alpha sources" where we feel the markets are under-pricing certain investment styles and/or strategies to capitalise on the inefficiencies present in capital markets.

Whilst we will buy some investment funds, generally the approach within the APEX range is that of manager of managers rather than fund of funds. We award mandates to our preferred investment managers and trade on their portfolio holdings directly within our *own* funds, as opposed to buying *their* funds directly. In some cases, the strategies we select might not even be available within a fund structure if they are managed by a boutique or private investment house.

The APEX range has a more dynamic approach to asset allocation, turning over the portfolio more frequently than the Core or Low Cost range, and also includes allocations to more sophisticated instruments like long/short fixed income and hedge funds.

Risk Levels

The level of risk taken will be consistent with "5 on a scale of 1 to 7", as defined by our risk partners, Oxford Risk. The portfolio will always be managed in accordance with this risk level, and we have robust risk management processes in place to ensure the risk being taken does not exceed the agreed mandate.

On the 5-tier risk scale, this portfolio is consistent with "4 on a scale of 1 to 5".

Who is this Portfolio For?

The Attivo Investments APEX Accumulation Progressive portfolio might be suitable for the following types of investors:

- Clients who believe active management has the ability to add value above the market average over a reasonable timeframe (3-5 years).
- Clients who value the role of active management, but still want to exert a level of control over the total cost of their investments.
- Clients looking to accumulate wealth, at a medium level of risk.
- Clients who have the capacity to accept loss.
- Clients who are comfortable with fluctuations in the value of their invested capital.
- Clients who have a sophisticated knowledge of investing and/or have surplus financial wealth to invest.

Asset Allocation

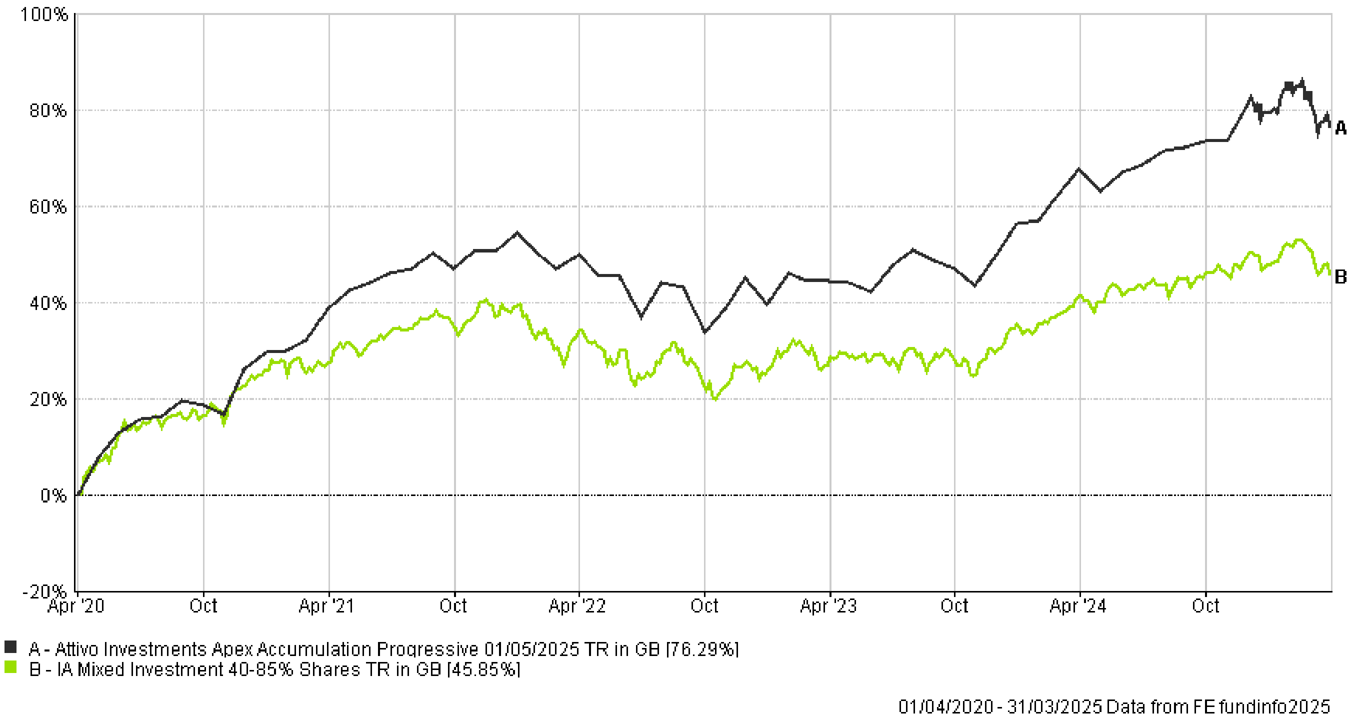
Equities						Fixed Income				Inflation Sensitive		Dynamic			
Global Managed Volatility Fund	Select Value Fund	Select Momentum Fund	Select Quality Fund	Small Cap Select Fund	Emerging Markets Equity Fund	Global Fixed Income Fund	Global Opportunistic Fixed Income Fund	High Yield Fixed Income Fund	Emerging Markets Debt Fund	U.K. Index-Linked Fixed Interest Fund	Commodities Fund	Dynamic Asset Allocation Fund	Dynamic Factor Allocation Fund	Dynamic Diversified Credit Fund	Dynamic Global Income Fund
3.5%	14%	14%	7%	11%	8%	2.25%	2.5%	3%	3%	4.5%	1.25%	8.5%	10.5%	3.5%	3.5%
SEI	SEI	SEI	SEI	SEI	SEI	Insight Investment Management	RBC BlueBay Asset Management	J.P. Morgan Investment Management	Ninety One UK	SEI	Columbia Thread-needle	SEI	SEI	RBC BlueBay Asset Management	Brandywine Global Investment Management
Acadian Asset Management	Poplar Forest Capital	Alphinity Investment Management	Lazard Asset Management	EAM Investors	Robeco Asset Management	Brandywine Global Investment Management	Schroder Investment Management	Ares Capital Management	Neuberger Berman Investment Advisers			State Street Global Advisors			
LSV Asset Management	Brickwood Asset Management		PineStone Asset Management	Towle & Co	JOHCM (USA)	Colchester Global Investors	Wellington Management	Brigade Capital Management	Colchester Global Investors						
				Copeland Capital Management	Aikya Investment Management	Wellington Management		Benefit Street Partners	Marathon Asset Management						
								T. Rowe Price	Grantham Mayo van Otterloo						

The standard asset allocations are reviewed periodically, based on a range of capital market assumptions, and we routinely run stress-testing, based on several historical and theoretical negative market outcomes.

We rebalance our portfolios on an annual basis only. We have undertaken thorough research on this topic which concluded more frequent rebalancing adds a lot in the way of cost, but not in the way of return or risk control.

Performance

The graphs below show the long-term performance of this strategy against the IA Mixed Investment 40-85% sector, our chosen benchmark for the Attivo Investments APEX Accumulation Progressive portfolio. Whilst this performance is simulated to some extent, the strategies invested have been present for the duration of the timeframe. As the portfolios we manage are goal-based, the strategies for each will have been consistent for the duration of the period analysed.



Investment values may fall as well as rise and you may get back less than you originally invested. This includes risks associated with emerging markets, overseas investments, and property or corporate bonds, which may exhibit higher volatility or reduced liquidity. Exchange rate fluctuations may also impact returns. Past performance is not a reliable indicator of future returns.

Charges

There are no initial charges for investing into the Attivo Investments APEX Accumulation Progressive portfolio, aside from any dealing charges which may be imposed by the chosen platform.

The ongoing cost of the portfolio is 0.62% a year, which includes the fund charges and the discretionary fund management charges combined. Any transaction charges would be additional to this. Please see the latest costs and charges document on the resource centre for transaction charges.

Please note this charge is correct at the date of issue but can and will vary in future.

Resources

For additional information on these strategies please refer to our website – attivoinvestments.co.uk

Our website also has a Resource Centre, which provides other collateral and tools to assist you.

Our portfolios are available for use on FE Analytics, by visiting the "portfolios" section of the interface, then searching for "Attivo Investments".

Other Advantages of using Attivo Investments

In addition to the information above, there are other important benefits of using the Attivo Investments range of solutions.

- Our co-CIO arrangement with SEI Investments opens up new doors when compared to the UK Managed Portfolio Service (MPS) space at large. A typical MPS provider in the UK will have access to around 4,000 different funds. The Attivo Investments solutions have access to around 100,000 different strategies.
- Whilst the Low Cost range of solutions uses a fund of funds approach, our APEX and Apex solutions uses a manager or managers approach. Rather than buying their funds we award them mandates, and replicate their portfolios within our own range of themed funds.
- This approach allows us to access niche areas of the market, including strategies which do not sit within a fund structure.
- By pooling resources with SEI Investments, we are not only able to access these strategies that many others cannot, but are also able to do so on preferential terms. The average mandate size for a client of SEI Investments is £1bn and, therefore, managers are clearly incentivised to offer the best possible terms, allowing us to deliver better positive outcomes for your clients.

Underlying Fund Descriptions

Acadian Global Managed Volatility	Managed-volatility strategies are a well-established product line at Acadian, representing approximately 17% of firm's total assets under management (which total over $95 billion). The importance of these strategies commands the attention of research staff and requires ongoing improvements to maintain a competitive edge. Global Managed Volatility is the flagship strategy within Acadian's managed-volatility franchise. We view the firm's research team as highly favourable, particularly considering the model's factor diversity and speed of innovation; this has translated to consistently strong results over time
LSV Global Managed Volatility	LSV is one of the academic pioneers in researching, understanding and exploiting the value premium. Led by Josef Lakonishok, the research team continues to demonstrate thought leadership. The manager's quantitative security-selection process is focused on deep value, but it also avoids subjective biases prevalent among fundamental investor peers. An evolved and nuanced understanding of value accounting adds an element of further enhancement. For managed volatility, the firm's approach shows elevated awareness of volatility measures and serves to balance inputs into the process.
Alphinity Global Equity	This team stands out in its application of a fundamental driven earnings momentum philosophy with a strong underpin to the quality of the businesses, which we believe helps the team identify durable and sustainable trends. A key positive feature of this strategy represents the team's heavy application of quantitative metrics and tools throughout all stages of the investment process, inducing robustness and repeatability. Although the strategy has a track record of only seven years, the team has already faced several shifts and strong reversals in the market, which we think they are able to leverage on. The strategy has outperformed the benchmark since inception and aligned with our expectations in terms of the alpha source exposure.
Lazard Developed World ex-US Quality Growth	The Quality Growth strategies utilize a bottom-up fundamental approach that focuses on the long-term compounding benefits of investing in highly profitable companies with superior competitive advantages and long-term growth prospects that appear to be underappreciated by the market. The idea generation process is tailored to the team's investment philosophy, and the fundamental due diligence process aligns with the key areas of focus. The low-turnover approach, combined with a rigorous "beat the fade" valuation framework, focuses precisely on the inefficiency where the market misprices how resilient returns for these businesses are. We have a positive view on co-portfolio managers Louis Florentin-Lee and Barnaby Wilson and their ability to leverage the analyst platform, combining it with insightful stock-picking and disciplined implementation, leading us to have high conviction in the strategy.
PineStone US Equity	The U.S. Equity strategy employs a fundamental, quality growth approach. The team seeks to identify companies trading at reasonable valuations with sustainable competitive advantages and growth potential. The portfolio is conviction weighted. Given the long-term focus, turnover is very low. We believe PineStone's definition of quality is more robust than its quality manager peers. Additionally, we think the process is well structured for the approach, with several unique aspects such as its quality scoring framework. While there continues to be client concentration risk, due to the significant sub-advisory relationship with Fiera, we believe the relationship is symbiotic and the percentage AUM managed for direct clients will continue to increase over time.

Poplar Forest US Value	The U.S. Value offering generally focuses on out-of-favour and underappreciated companies. The benchmark-agnostic strategy is focused on normalized earnings and free cash flow over the long term. The investment team evaluates investment opportunities using bottom-up, fundamental analysis, paying particular attention to its belief about future normalized margins and free cash flow. The portfolio is concentrated and invests in the large- and mid-cap segments of the U.S. equity market. Almost all of the firm's assets are in the flagship U.S. Value product. Recent performance has been quite strong given the recovery in value stocks. Still, the move in industry assets from active to passive and long-term problems for value could put pressure on Poplar's business for the foreseeable future.
Brickwood Developed ex-US Value	Headquartered in London, the firm is expected to manage around $2 billion including SEI's assets. The firm is in the emerging stage of its lifecycle, but given the PMs' long-standing track records, once the firm is established we can see UK assets scaling too. Lead PM Dermot Murphy is well supported by Ben Whitmore and Kevin Murphy under a collaborative research and decision-making structure. Whitmore has been managing value funds for 30 years, initially at Schroders before joining Jupiter in 2006. Co-founder PM Kevin Murphy is a valuable addition to the team bringing over 20 years' experience of value investing at Schroders under a very similar approach having worked previously with Whitmore. We view the team as amongst the best practitioners of contrarian value investing we have found; blending valuation discipline with insightful assessments for recovery potential and elements of quality underpinning that mitigates downside risk. The process is focused on identifying mispriced stocks and building a diversified portfolio of idiosyncratic risks, while minimizing investments in value traps (stocks that appear cheap, but where share-price recovery is ultimately elusive).
EAM Investors Small Cap Growth	EAM Investors, LLC (EAM), is an independent, majority employee-owned investment boutique based outside of San Diego, CA. We like the firm's entrepreneurial nature and consistently shared investment philosophy. The Small Cap offering is pure to the momentum alpha source. Additionally, the process has safeguards in place to mitigate some of the primary pitfalls of momentum investing. Namely, the portfolio's equal-weighted approach and the team's awareness of risk exposures should help lessen underperformance at inflection points when momentum tends to perform its worst. A risk is that EAM could miss pertinent fundamental information about a stock due to the light level of fundamental research conducted before entering into a position. While other products at the firm have garnered assets over last few years, the strategy remains one of the firm's key offerings.
Towle & Co US Value	Based in Denver, CO, Towle & Co. was founded in 1981 by Woody Towle. The Towle U.S. Value strategy is a concentrated deep-value portfolio that skews towards smaller-cap stocks. The product is typically volatile and exhibits high tracking error. Towle's dedication to the value alpha source is one of the purest exposures to value investing we have found. It usually invests in heavily out-of-favour, cyclical sectors, such as industrials, energy and consumer discretionary. The Towle family has a significant amount of its wealth invested in the firm's products, and Chris Towle, son of Woody, has helped manage the firm for over 20 years. Performance has generally been consistent with expectations, given the deep value approach.
Copeland Capital Small & Mid Cap Dividend Growth	Copeland Capital Management, LLC, (Copeland) is a Pennsylvania-based majority employee-owned investment boutique focused on dividend growth investing. A stable investment team supports the firm's domestic equity offerings, with the benefit of a thoughtful and experienced portfolio manager at the helm. Dividend growth is the cornerstone of the firm's investment philosophy and the team's primary

	means of assessing quality. The philosophy is a "win-by-not losing" approach at its core, and the resulting portfolio exhibits characteristics consistent with the quality alpha source. More important is the focus on dividend growth, which provides a more objective measure of quality than we find with peers. We believe this helps Copeland avoid anchoring and mitigate the weak sell discipline that often plagues quality-oriented managers. While the SMID Cap Dividend Growth strategy is one of the more recent domestic equity offerings, it is a natural extension of the team's other products, and assets are unencumbered. The strategy's performance profile has been consistent with our expectations of a quality-oriented approach.
Robecco	Robeco Institutional Asset Management (Robeco) is a wholly-owned subsidiary of ORIX Corporation, headquartered in Rotterdam and in the mature phase of its life cycle. Robeco's Emerging Markets Focused Equity strategy is a fundamental based approach that incorporates top-down and quantitative elements to enhance bottom-up stock selection. It has a low level of turnover and is relatively concentrated. We believe the team's top-down work is thorough and this macro-orientation complements the team’s bottom-up stock selection process allowing for a more comprehensive understanding of company drivers. The team's quantitative model is an important tool to help source ideas as well as challenge existing ones. The approach is not deep value, with the team rather waiting to see improvement in a company's fundamentals before investing; as such, it could move out of step with when we expect value to perform best.
JOHCM (USA)	Located in London, JO Hambro Capital Management Limited (JO Hambro) is an autonomous unit in the established phase of its lifecycle, and is owned by Australian listed Perpetual Group. The Global Emerging Markets offering is a fundamental, momentum-driven strategy. The portfolio is diversified and has a high level of turnover. Its edge lies in a flexible approach to trend following and efficient and timely capture of momentum signals. The long-tested process enables JO Hambro to allocate across various opportunities to flow with the market cycle and exploit the most advantageous trends. The use of technical charts aids in identifying direction at the stock, sector and regional levels, and the team structure allows for swift decision making. However, this buying approach can lead to entering positions in short order, which may then be quickly shed from the portfolio; short-term holdings could cause a drag on performance if not balanced with successful long-term holdings. The changes at the parent level along with recent departure of a high profile PM within the firm raise concerns over the firm’s investment led culture, and bring a degree of uncertainty that we are keeping a close eye on.
Aikya	Aikya Investment Management was established in 2020 as a dedicated emerging market equity manager with the help of Australian asset manager investor Pinnacle Investment Management. Aikya is majority employee owned while Pinnacle owns the rest and provides back office and sales support. Aikya operates under a common investment philosophy centred around quality investing with a focus on downside protection and stewardship. The result is a conviction weighted portfolio of high-quality companies that provides strong downside protection. The team is led by lead portfolio manager Ashish Swarup and is supported by two other portfolio managers and four dedicated analysts. Our conviction in the strategy lies in their unique philosophy and approach as well as conviction in lead portfolio manager Ashish. The firm has seen strong asset growth in its flagship strategy over the past few years, and we will be keeping an eye on any new assets the firm brings in.

Colchester Global Government Short Duration Bonds	The firm invests exclusively in sovereign bonds and currencies and won't allocate to corporate credit or other non-government spread sectors. Colchester's focus on global government debt and higher quality smaller markets means its skill set is highly suited to this mandate. The firm's competitive advantage lies in its structured process and the firm's proprietary inflation forecasts, which give the firm an edge in making relative value sovereign decisions. The manager targets higher real yielding markets and currencies which look cheap by Colchester's currency valuation model. The combination of Colchester's real yield interest rate models and robust process supports our recommended rating.
Wellington Global Securitized	The Global Securitized strategy has a large degree of overlap with the US focused strategy, and Wellington's US Securitized team will manage the covered bond allocation within the global benchmark in tandem with Wellington's Global Credit team. Brian Conroy leads the strategy following the somewhat recent retirement of Mike Garrett, who was considered one of the more intelligent minds in the MBS arena. While we view Conroy favourably, he is a relatively inexperienced portfolio manager, and thus his development is viewed as critical to the success of the strategy. Our concerns are mitigated due to the extensive notice that Garrett provided the firm, which has allowed for a more gradual transition of responsibilities. Lastly, we have a favourable view of the firm's organizational structure as a private partnership and believe that this element, combined with the ability to be a career analyst, has contributed to the team's strong continuity.
Brandywine Global Fixed Income	Brandywine Global Investment Management, LLC (Brandywine), was founded in 1986 and is 100% owned by Legg Mason, Inc. (Legg Mason), although Brandywine operates completely independently; this relationship has continued post Franklin Templeton's recent acquisition of Legg Mason. Brandywine offers a range of strategies across equities, fixed income and alternatives. The firm's global fixed-income team exploits the mean-reverting tendencies of interest rates and currencies by taking a benchmark-indifferent, macro-driven, value-oriented investment approach that favours high real-yielding countries with strong credit fundamentals alongside currencies that appear to be undervalued on a range of measures (such as purchasing power parity). Brandywine executes this strategy by being patient, long-term and often contrarian. This tried-and-tested approach is led by a portfolio management team comprised of some of the most experienced and seasoned bond investors in the industry. Moreover, the assets under management enable Brandywine to commit sufficient resources to cover the less efficient non-core markets, without being so large that the portfolio managers cannot take meaningful positions.
Insight Global Government Bonds	Insight Investment Management Limited (Insight) is a wholly-owned subsidiary of BNY Mellon, which purchased the organization from U.K. banking group HBOS in 2009. The firm is one of the largest liabilitydriven investment (LDI) managers in the U.K., but it also offers active fixed-income and multi-asset products. Insight's Global Government Bonds offering utilizes a broad suite of asset classes and instruments to create a portfolio with a diversified range of positions, which are carefully crafted to isolate intended risks for inclusion in the final portfolio. The investment process combines a range of long-term strategic views, tactical positions which allow an experienced portfolio manager to demonstrate their flair, and short-term quantitative models to help capture momentum signals within duration markets. How Insight structures trades within the portfolio, using outright long positions or more relative value trades depending on conviction, demonstrates a strong awareness of the payoff profile associated with investing in fixed-income markets. The quality and depth of investment individuals across a range of fixed-income markets— developed-market government bonds, credit and emerging markets— are also impressive.

BlueBay Global Aggregate ex-Treasury	BlueBay's proprietary Alpha Decision Tool ensures trade ideas across each asset class are logged within a unified decision making system. This allows the firm's best ideas from both a top down and bottom up perspective to be applied and emphasised within each strategy on BlueBay's platform in a consistent way. The Aggregate strategies are run in a centralized manner by two of the most senior investors at BlueBay; Mark Dowding (Chief Investment Officer) and Kaspar Hense (Senior Portfolio Manager) who have the cross asset class expertise and ability to vet trade ideas prior to portfolio inclusion. They will manage portfolios holistically emphasizing higher conviction trades rather than outsourcing decision making to underlying asset class teams which leads to more efficient portfolio management and heightened accountability.
Schroder Global Corporate Bonds	The firm's credit process combines rigorous fundamental security analysis with a keen awareness of the macroeconomic backdrop and its implications for the credit cycle. Notwithstanding, bottom-up credit research remains the cornerstone of the investment process, where the team's commitment to leveraging the expertise within each sector team allows it to exploit less efficiently priced idiosyncratic opportunities. The information brought in by the bottom-up sector team is compared in a disciplined, consistent fashion, using scorecards to support sector asset allocation. We also view the lead portfolio manager on this account, Rick Rezik, as one of the most impressive investors in this asset class given the depth of knowledge he has on individual securities held within the portfolio. While we view Schroders as a credible global corporate manager, we believe there are alternative offerings in the peer group that are superior.
Wellington Global Government-Related Bonds	Founded in 1928, Wellington Management Company LLP is now a fully-owned partnership with assets under management of close to $1.2 trillion. The firm's Global Government-Related mandate utilizes a multi-strategy investment approach whereby individual specialists are each allocated a risk budget. These specialists are chosen based on their low levels of correlation with other investment specialists at the firm. By structuring its product this way, Wellington can integrate multiple styles to create a portfolio that is generally uncorrelated with broader fixed-income markets and where no investment specialists dominate overall strategy performance. Relative to peers, we believe Wellington's return stream is unique and differentiated. We continue, however, to have concerns around elevated investment specialist turnover, the top-down risk budgeting process and the limited transparency provided to external parties on the performance of the firm's investment specialists.
JP Morgan High Yield	J.P. Morgan Investment Management (JPMorgan) is one of the world's largest asset managers, with over $2.5 trillion in assets. After years of operating as autonomous units, JPMorgan made the decision to merge its Indianapolis and Cincinnati-based high-yield teams in 2019. Rob Cook leads the combined group; the combined analyst pool has grown, which is the key positive stemming from this change. The Indianapolis team's investment philosophy and process will continue to be implemented, with the Cincinnati team conforming to the investment approach. The team's assets under management (AUM) have been an area of concern in recent years, and the teams' combined AUM has only elevated our level of concern. We have yet to observe any direct impact on performance, and we take comfort in the fact that Cook and Hauser are leading the team and that the Indianapolis team's relative-value approach remains intact with additional resources at its disposal. These positive factors provide the conviction to maintain the strategy's recommended rating.

Ares High Yield	Based in Los Angeles, CA, Ares Management LLC (Ares) is a publicly-traded global alternative investment manager with over $310 billion in assets. The strength of the investment strategy lies in Ares' detailed credit analysis and the firm's experience in managing through a range of economic and credit cycles. By having dedicated private equity, credit, and real-estate groups, Ares can look beyond the traditional high-yield market to source new investment ideas, strategically and opportunistically investing in below-investment grade bank loans; investment-grade bonds that trade at high-yield levels; and distressed bonds to add value. The firm's commitment to credit research and its expanded opportunity set is somewhat unique relative to peers. Kapil Singh has managed the strategy since late 2018 alongside Chris Mathewson as co-portfolio manager. Given Singh and Mathewson's skillsets, Singh provides more input on top-down positioning while Mathewson focuses on tactical implementation and portfolio construction. We have been impressed with Singh's thoughtful contribution since joining Ares, and we view him as a good cultural fit. Our conviction in this offering continues to grow.
Brigade High Yield	Founded in 2006, Brigade Capital Management, LLC (Brigade) has over a decade-long track record as a specialist in leveraged finance, distressed, opportunistic and structured credit strategies. The long-only High Yield offering was launched in 2009 and has experienced steady asset growth. We believe a large part of Brigade's competitive advantage is the firm's expertise in tactically investing across the capital structure, coupled with its ability to opportunistically take advantage of market dislocations through bottom-up fundamental credit analysis and by looking for shifts in the credit cycle. Repositioning the portfolio during credit cycle shifts is a key tactic in the Brigade playbook. The depth and breadth of Brigade's senior investment professionals, combined with the team's long tenure working together through multiple market cycles, have been instrumental in developing these skills. We hold CIO and founding partner Don Morgan in high regard, and we believe Morgan will continue to be a key ingredient in the firm's future success. Overall, we view Brigade as an opportunistic manager with a thoughtful leader, superior credit research capabilities and the ability to make tactical allocation shifts over the credit cycle. A combination of these competitive advantages drives our recommended rating.
Benefit Street Partners High Yield	Benefit Street Partners (BSP) is a credit-focused alternative asset management firm based in New York, NY. BSP's competitive advantage is its relative-value approach that evaluates the entire leveraged finance universe. Alpha generation comes from opportunistically investing at any level of an issuer's capital structure and tactically allocating to mid- and small-sized companies. The breadth and depth of BSP's investment team, which includes several individuals with sell-side restructuring experience, provide it with a unique investment perspective when compared with the high-yield manager universe. Additionally, credit skills are sharpened through credit analysis from both a long and short point of view for the firm's hedge fund, along with obtaining key industry trends from its middle-market lending operation. A fundamental tenet of BSP's investment philosophy is a focus on bottom-up security selection through a disciplined investment process that assigns a near-term catalyst along with entry and exit points for each security. It also takes a private equity approach that emphasizes asset coverage and free cash flow as the critical determinants for the likelihood of default. Portfolio construction is focused on finding alpha through security selection and should typically have moderate active sector risks. BSP was sold to Franklin Resources, Inc. (Franklin) in 2018 and, to date, has remained largely autonomous. That said, we continue to monitor for any future integration that might detract from the strategy. We maintain our recommended rating.

T. Rowe Price High Yield	T. Rowe Price Associates (T. Rowe), a publicly-traded company with around $1 trillion in assets under management (AUM), is among the largest global asset-management firms. We believe the T. Rowe philosophy is superior to that of many of its peers in that it recognizes the benefit of high-conviction positioning along with selectively investing in smaller, under-researched issuers. We view the tenets of flexibility and portfolio concentration as being among the strategy's top attributes. We also have a favourable view of the firm's portfolio construction process, which allows the team to express conviction, turn the portfolio over and take full advantage of relative-value opportunities and inefficiencies not available to many peers that have larger asset bases. Furthermore, the portfolio is top-down managed during market dislocations to help ensure appropriate beta positioning. The T. Rowe investment team is led by a thoughtful portfolio manager in Kevin Loome and is a tight-knit group of experienced investors. We believe the collaborative nature of the team's investment decisions improves relative-value comparisons and promotes objectivity. While the investment team is smaller than most peers, in aggregate the strategy offers a number of competitive advantages, which is reflected in our recommended rating.
Ninety-One Local Currency Emerging Market Debt	Ninety One (formerly Investec Asset Management) was established in South Africa in 1991. Investec Group demerged its asset management business from the broader group in March 2020 and renamed it Ninety One. As the asset management division has historically had the highest return on equity in the group, we are broadly supportive of this change; it allows profits to be reinvested more efficiently within the business. The firm's competitive advantage lies in the strength of its bottom-up security-selection, especially in local currency debt and foreign exchange (FX). This edge is enhanced by proprietary tools, such as Ninety One's currency risk indicator and detailed weekly country scorecards, which help provide objective inputs into a disciplined process that was built from direct experiences in emerging-market (EM) countries. The team's founding members have a significantly long track record managing local-currency debt and FX across the emerging-market debt (EMD) universe. A diverse background of experienced analysts cover all the sub-sectors of EM and operate on a flat structure, with all members given the ability to contribute to and be held accountable for investment decisions.
Neuberger Berman Blended Emerging Markets Debt	Neuberger Berman Investment Advisers LLC (Neuberger), founded in 1939, is headquartered out of New York, NY, with an additional 30+ offices globally. Neuberger's competitive advantage is its skill in comprehensively analysing the entire emerging-markets debt (EMD) opportunity set. The firm's dedicated team of EMD professionals is fundamentally-focused and makes risk-to-return projections for external, local and corporate EMD and foreign exchange (FX). Allocations are made to the most attractive opportunities, resulting in portfolios that generate excess returns from a broad set of alpha sources. The process is enabled by a unique multi-site approach that allows Neuberger to capitalize on a global presence to obtain better country and credit insight, perform more frequent country visits and engage in around-the-clock portfolio management. The team has historically upgraded its systems to evolve with the market and to find more efficient ways to monitor portfolios in real time. A combination of Neuberger Berman's depth of resource, prudent approach to risk management and long-tenured experience in this asset class drives our recommended rating.
Colchester Local Currency Emerging Markets Debt	Colchester Global Investors Limited (Colchester) was founded by Ian Sims in 1999 and started managing client portfolios in February 2000. The firm invests exclusively in sovereign bonds and currencies and won't allocate to corporate credit or other non-government spread sectors. Colchester's focus on global and emerging-market (EM) government debt and higher-quality smaller markets means its skill set is highly suited to this mandate. The firm's competitive advantage lies in its structured process and the firm's proprietary inflation forecasts,

	which give the firm an edge in making relative-value EM sovereign decisions. Colchester targets higher real yielding markets and currencies which look cheap by Colchester's long term currency valuation model; the firm also employs a long-term investment horizon (majority employee ownership allows the firm to benefit from its longer term focus). The combination of Colchester's real yield interest rate models and robust process supports our recommended rating.
Grantham Mayo van Otterloo Emerging Markets Debt	Grantham, Mayo, van Otterloo & Co. LLC (GMO) was founded in 1977 and has remained 100% employee owned since that time. The firm's key investment offerings include asset allocation, equities and emerging market debt (EMD). GMO is renowned for its application of value investing across all of its product offerings. GMO's competitive advantage lies in its well-thought-out philosophy; it eschews big macro bets on the broad direction of spreads at a benchmark level in favour of identifying value on a bond-by-bond basis within a country's capital structure. The focus on bond-level valuation allows the team to populate its portfolio with securities that are often overlooked by peers due to factors such as currency of denomination or limited levels of liquidity. GMO has employed this approach since the inception of this product in 1994. The team has demonstrated the patience and discipline required to be successful with this style given it can be subject to periods of meaningful out- and underperformance relative to its benchmark. The team's use of a proprietary quantitative model, which has been improved over time to incorporate new research and data inputs, provides structure to the investment process, which alongside the strength of the key portfolio manager on this strategy, Tina Vandersteel, further supports our recommended rating.
Marathon Hard Currency Emerging Markets Debt	Marathon Asset Management, LP (Marathon) was formed in 1998 as a partnership structure by Bruce Richards (current CEO) and Louis Hanover (current CIO). The firm's investment offerings focus primarily on a range of credit strategies that include corporate credit, emerging-market debt (EMD), and structured credit. Marathon's EMD strategy combines a core set of exposures designed to broadly replicate the characteristics of the index with selective active bets. The Marathon team demonstrates a strong understanding of technical factors that drive index performance such as index inclusion and exchange-traded fund flows, a dynamic it seeks to exploit through careful security selection. The use of off-benchmark credit, intended to be sensitive to the sovereign's fundamental trajectory and help avoid excessive basis risk versus the benchmark, is supported by a reliable and experienced pool of credit analysts.
SEK UK Index-Linked Fixed Interest	The investment objective of Fund is to generate current income adjusted for U.K. inflation consistent with the preservation of capital by investing in index-linked gilt securities with a maturity greater than or equal to five years. The Base Currency of the Fund is Sterling. The Fund is actively managed. Under normal market conditions, the Fund will invest at least 90% of its net assets in Sterling-denominated index-linked gilt securities issued by the U.K. Government with a maturity greater than or equal to five years (each a "5+ Year Index-Linked Gilt").
Threadneedle Enhanced Commodities Portfolio	The Fund aims to increase the value of your investment over the long term. The Fund invests in commodities using derivatives (complex instruments). Commodities are physical materials such as oil, agricultural products, and metals. Derivatives are used to take long positions (which will directly reflect market movements) and short positions (which will respond positively when markets go down) in diversified commodity indices to create under and overweight positions in individual commodities and commodity sectors, as well as alter the location of that weight on the curve. It is not intended that the use of derivatives will result in any net short positions in commodities. The use of

	derivatives may create leverage. Where leverage is created, the net asset value of the Fund may experience more fluctuation than if there were no leverage. The Fund may also use derivatives for hedging purposes or to manage the Fund more efficiently.
SEI Dynamic Factor Allocation	The investment objective of the Fund is to seek to provide total returns from global markets, using a dynamic asset allocation investment strategy. As noted below, the Fund will invest primarily in global equities and derivatives. The Base Currency of the Fund is U.S. Dollars. An investment in the Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. The Fund is actively managed. The Fund employs a tactical asset allocation investment strategy, by which it seeks to achieve its investment objective of total returns through a risk-controlled, disciplined process designed to capture returns from short and intermediate-term market anomalies which may arise in a broad range of asset classes, in global markets including Emerging Market Countries. Total return strategies aim to produce returns on capital and the income earned from capital.
BlueBay Multi-Asset Credit	The BlueBay Multi-Asset Credit ("MAC") strategy provides exposure to the multitude of underlying asset class building blocks that are standard in a MAC strategy (such as High Yield, Investment Grade, Emerging Markets and Securitized Debt etc.), while also having exposure to more niche asset classes such as Convertible Bonds and Coco's to access an attractive yield pick-up. The use of Convertibles and CoCos sets BlueBay apart from competitors as many peers don't access these attractive beta opportunities. We like the fact that BlueBay utilizes a centralized MAC portfolio management team that will manage the portfolio as a whole rather than outsourcing decision making to asset class sleeve portfolio managers. This leads to more efficient portfolio management and heightened accountability relative to an outsourced sleeve approach. Additionally, BlueBay's proprietary Alpha Decision Tool ensures all trades across each asset class are logged within a centralized system. The use of this tool allows MAC portfolio managers to be aware of all trades across each sub sector and gives them the ability to sort and emphasize the highest conviction trades within a more concentrated portfolio that doesn't erode bottom-up selection alpha.
Brandywine Multi-Asset Credit	Brandywine's competitive advantage lies in the team's ability to combine the strong top-down views formed via the firm's global fixed-income team with a conservative approach to bottom-up security selection that focuses on each individual credits' margin of safety. Top-down views inform where the team should be taking risk from a thematic, sector/security perspective and guide the rotation of the portfolio through different sectors. These views are formed by a tried and tested global macro team that includes some of the most experienced and seasoned bond investors in the industry.