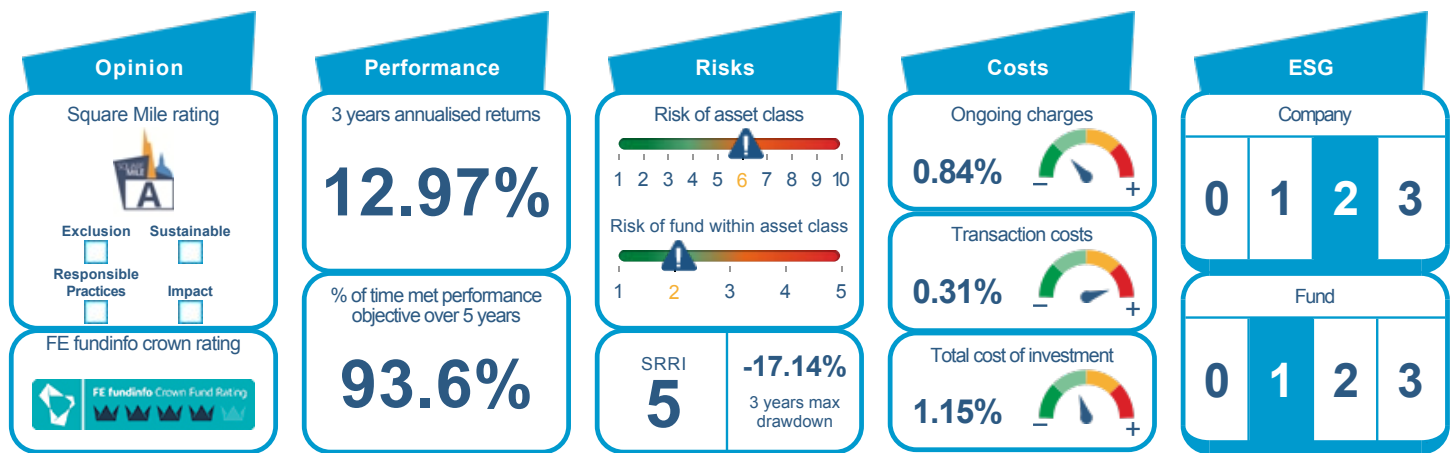


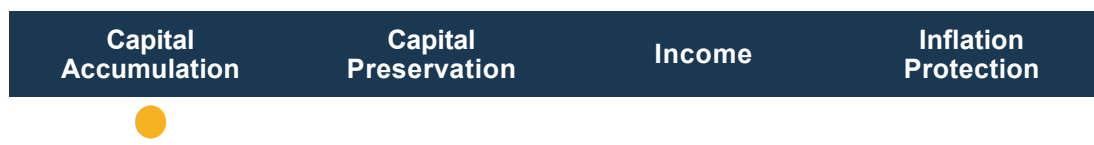
Threadneedle Managed Equity Z Acc GBP

November 2021



Overview

The managers aim to accumulate capital over the long term by investing predominantly in a portfolio of global equities. We believe outperformance of a composite index of 60% MSCI ACWI ex UK Index, 25% FTSE All-Share Index, 7% Bloomberg Barclays Global Aggregate ex GBP (GBP Hedged) Index; 3% Bloomberg Barclays Sterling Aggregate Index, 5% Sterling Overnight Index Average (SONIA) over rolling 3-5 year periods is a realistic expectation.



Square Mile Expected Outcome

We believe outperformance of a composite index over rolling 3-5 year periods is a realistic expectation.

IA Sector: IA Flexible Investment	Launch Date: 09/04/2021
Fund Size (as at 31 Oct 2021): £538.4m	Yield: 0.68%
Distribution Pay Date: May 26 (Final)	Fund Manager: Alex Lyle
Ongoing Charge Figure: 0.84%	Domicile: United Kingdom
Transaction Cost ex Ante: 0.31%	



Fund Opinion

The Threadneedle Managed fund range has been run using the same investment process and in the same relative manner since the late 1990's. This strategy is able to leverage the best resources of the entire business including Threadneedle's US-based sister company, Columbia Management. The long-standing process, which encourages the sharing of ideas across the group has proved very successful at providing long term capital growth and consistently delivering superior returns, relative to the fund's benchmark. Oversight of this fund is the responsibility of the multi-asset team. The team has been very stable over a number of years and has sensibly added resources in order to evolve the product range, as well as the investment opportunity set. Named fund manager, Alex Lyle, brings an additional layer of continuity, having been involved with this strategy for over 10 years. The fund is run as a fettered fund of funds and its success over the years has been down to a combination of astute asset allocation from the multi-asset team, and the stock selection abilities of the underlying managers from within the group. We hold the multi-asset team in high regard and believe it is well set to continue to build on the fund's impressive longer-term track record which demonstrates a high rate of consistency of meeting its outcome.

Fund Description

The fund is managed by Alex Lyle, head of managed funds. Mr Lyle is an experienced investor having joined the group in 1994. He was appointed joint head of the UK and European Equity team in 1999 and became head of managed funds in 2003. Mr Lyle has continuously co-managed the fund since 2008, although there have been changes of co-manager over that period. He is currently supported on the fund by Matthew Rees. The business runs a considerable body of assets on a multi-asset and managed basis, and the manager of this fund draws on the expertise of the wider multi-asset team as well as the equity and fixed income teams across the group.

The manager takes an active approach to asset allocation, and this is centred around the composite index. The investment process is team driven and encourages discussion between the different fund managers from across the regional equity desks. The team aim to be flexible by responding to changing market conditions and this pragmatic approach has no style bias. The fund's asset allocation follows the house view which is established through a consideration of markets, sectors and themes, as well as valuation analysis. These inputs are formally discussed at a weekly market update meeting and the weekly asset allocation strategy group meeting. The former meeting is where all investment professionals come together to share news in their respective markets and to exchange ideas. The latter is attended by senior investment professionals and is where the team's asset allocation is determined. The fund manager will then tailor these views to take into account the fund's mandate and objective.

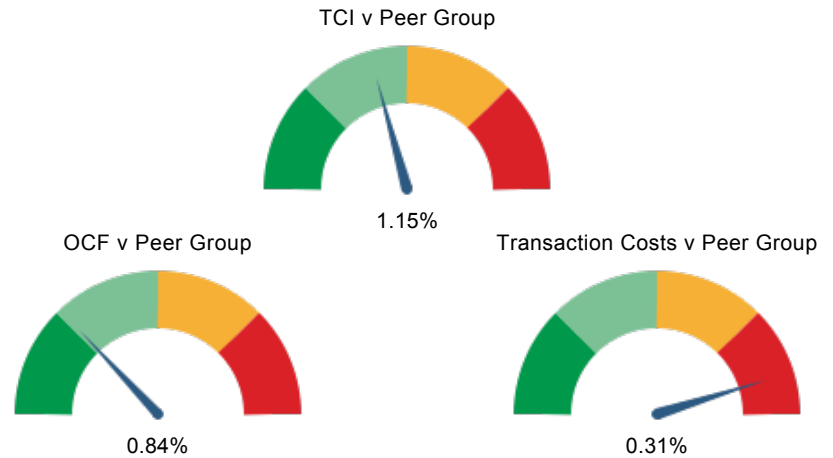
The manager is responsible for selecting the most appropriate funds from the group's underlying range. There are few formal guidelines on how the fund is to be invested. Although the fund is permitted to invest within very broad parameters, it is likely to be predominantly invested in equities. In practice, the fund's asset allocation is made relative to the composite index with positions away from this benchmark tending to be modest.

Risk Summary

This fund invests primarily in equities and as such the main risk is that these, as higher risk assets, can be volatile investments. The fund can also make significant overseas investments and therefore will be exposed to currency movements. The fund invests predominantly in funds from the Threadneedle group. The success of the fund and its ability to meet its objective is therefore heavily reliant on the abilities of the group's own managers and teams. The managers here take modest asset class positions relative to the positioning of the composite index. While this leads to a relatively conservative approach it also means there is less scope for downside protection in the fund when compared to peers with more of an absolute return mindset.

Value for Money

The transaction costs of this fund are slightly higher than the peer group median, however the ongoing charge figure and the Total Cost of Investing sit around the median level. Given the quality of this proposition, we believe the fund is competitively priced when compared to other fund of funds. The fund's exclusive use of in-house funds means the managers can access funds at a discount to the rest of the market.



ESG Integration

Company Assessment	0	1	2	3
ESG factors are considered formally but are not instrumental within all of the company's investment processes.				
UN PRI Strategy & Governance Rating	A+			
Fund Assessment	0	1	2	3
ESG factors may be considered by the fund's manager as an input into their analysis but are not a formal part of the investment process.				

Responsible Investing Approach

Exclusion	Responsible Practices	Sustainability	Impact
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Information

Annualised Return	12.97%
Annualised Volatility	12.49%
Max Drawdown	-17.14%
Max Gain	11.84%
Max Loss	-17.09%
Sharpe Ratio	0.97
Sortino Ratio	0.87

(3 years data to last month end unless otherwise stated)

Currency of Share Class

GBP

Fund Price (as at 12 Nov 2021)

205.3 pence

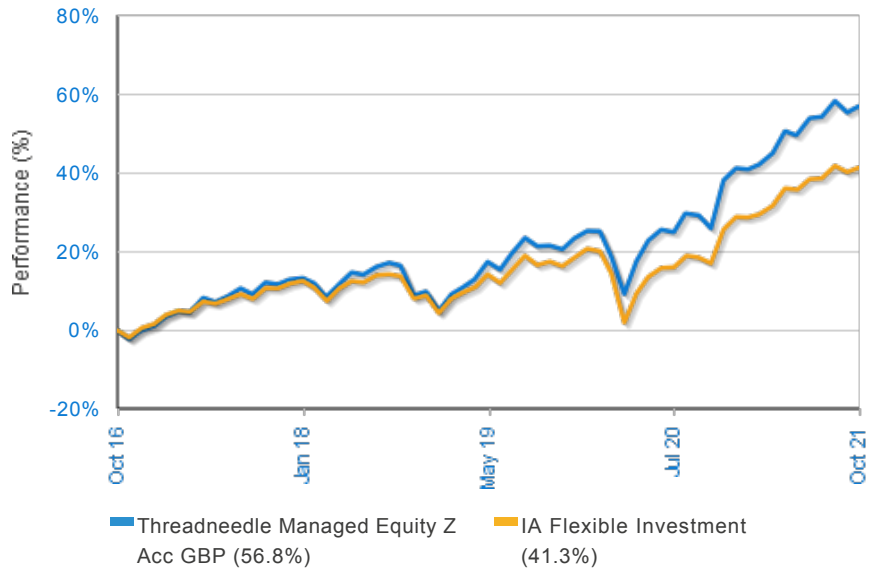
Benchmark

60% MSCI ACWI ex UK Index, 25% FTSE All-Share Index, 7% BB Global Agg ex GBP (GBP Hedged) Index; 3% BB Sterling Agg Index, 5% SONIA

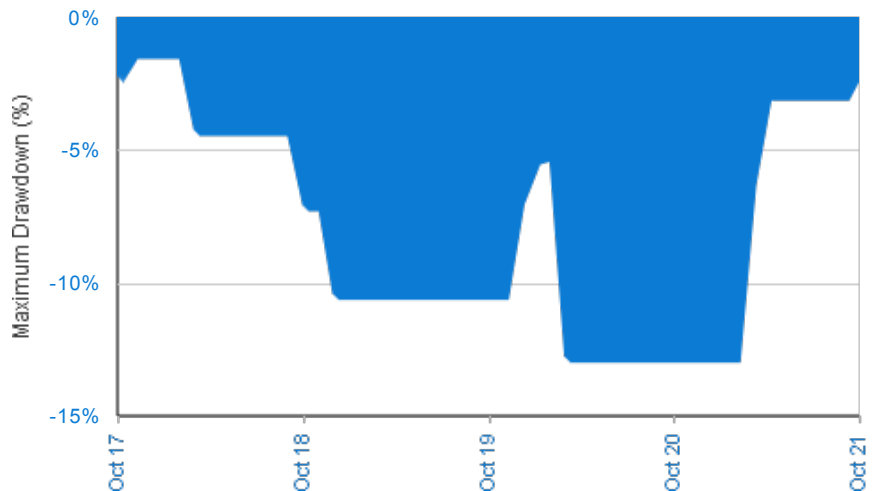
Discrete Annual Performance to Last Quarter End

Period	Fund (%)	Sector (%)	Quartile Ranking
0-12m	20.2	18.3	2
12-24m	6.3	0.9	1
24-36m	4.4	3.2	2
36-48m	6.7	5.4	2
48-60m	12.1	10.5	2

Capital Growth



Maximum Drawdown (Rolling 12 Months)



Asset Allocation Positioning

Name	%
North American Equities	35.0
UK Equities	24.4
International Equities	8.4
Europe ex UK Equities	8.3
Asia Pacific ex Japan Equities	7.7
Global Fixed Interest	5.3
Japanese Equities	4.3
Others	6.6

(Data as at 30 Sep 2021)

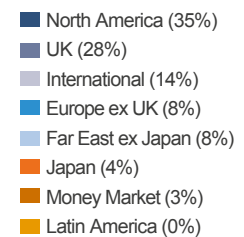
Top Ten Holdings

(Data as at 30 Sep 2021)

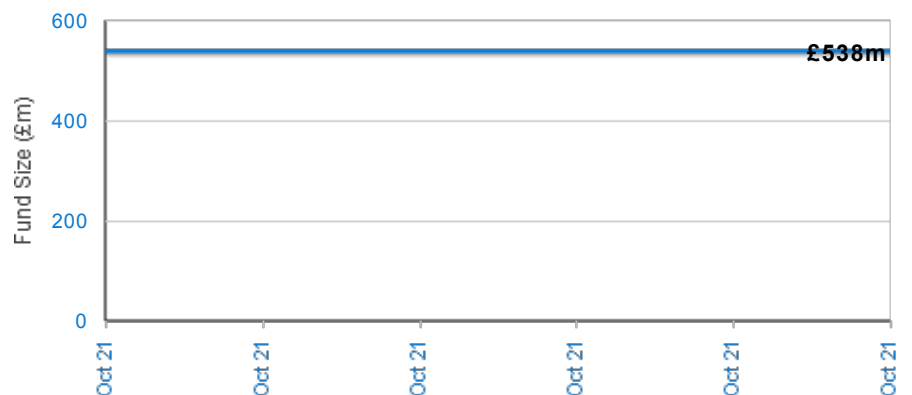
Company Name	%
THREADNEEDLE AMERICAN FUND	17.7
THREADNEEDLE AMERICAN SELECT RNA USD	17.0
THREADNEEDLE UK INA GBP	16.1
THREADNEEDLE ASIA FUND	4.4
THREADNEEDLE JAPAN FUND	4.3
THREADNEEDLE UK SELECT FUND	3.4
THREADNEEDLE GLOBAL FOCUS FUND X ACC GBP	3.4
THREADNEEDLE GLOBAL EXTENDED ALPHA FUND	3.2
THREADNEEDLE (LUX) SICAV - ASIA CONTRARIAN EQUITY -XU- CAPITALISATION	2.5
THREADNEEDLE STERLING SHORT-TERM MONEY MARKET FUND	2.3

Geographic Breakdown

(Data as at 30 Sep 2021)



Assets Under Management



Qualitative Risk Assessment

	Significant	Potentially Significant	Not Significant
Equity Risk	●		
Interest Rate Risk	●		
Credit Risk		●	
Exchange Rate Risk			
Liquidity Risk			●
Emerging Markets Risk		●	
Derivative Risk			●
Manager Risk		●	

Equity Risk

The fund has some exposure to shares. Shares are volatile investments but diversification across asset classes may moderate these risks. At times of economic stress, volatility may rise as might correlations between asset class returns.

Interest Rate Risk

This is a multi-asset fund. Higher interest rates may adversely impact valuations of many financial assets.

Credit Risk

This is a multi-asset fund with exposure to credit markets. A widening in credit spreads may impact the fund. Note that wider credit spreads often occur at times of weaker stock markets and/or weakening economies.

Exchange Rate Risk

The fund has exposure to assets denominated in foreign currencies. Changes to exchange rates may impact the fund price.

Liquidity Risk

The fund invests in liquid assets and any sale should be possible at close to the prevailing market price.

Emerging Markets Risk

The fund has the ability to invest in securities issued by governments or companies in emerging markets, though the bulk of the portfolio will be focused on developed markets.

Derivative Risk

The portfolio is predominantly invested in underlying cash securities.

Manager Risk

The manager is seen as an important element in Square Mile's rating of the fund, although potential alternatives may exist elsewhere in the organisation. Square Mile will reappraise the rating if the lead manager were to leave.

FE Risk Rating: 67.00

SRRI: 5

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