

Suitable for professional clients.

Quilter

The benefits of sub-advised mandates

As portfolio manager Helen Bradshaw explains, one of the great benefits of WealthSelect's size and scale is that it allows us to partner with some of the world's best-known fund managers to deliver an expertly designed investment solution that you and your clients can trust.

Working in partnership

As portfolio managers of WealthSelect we are trusted to manage £15.2bn of investors' money¹. Our scale offers us a competitive advantage, providing us with the opportunity to create bespoke strategies with leading fund managers that can be tailored to meet our needs and those of your clients.

These bespoke strategies, known as sub-advised mandates, are where a fund manager runs an investment strategy on our behalf within a Quilter Investors fund wrapper. We refer to the 18 fund management groups running sub-advised mandates for us as our WealthSelect global partners.

The benefits are clear

One of the many benefits of this approach is the information advantage offered by sub-advised mandates. They enable far greater transparency and real-time access to portfolio positioning, holdings, and trading than investing via a retail fund.

This is a key differentiator for us. If we were to purchase a manager's retail fund offering, we'd need to rely on the published fund reporting which, by necessity, trails real-time events. Instead, sub-advised mandates give us direct access to the live strategy.

This benefit of being able to look under the bonnet of the fund in real-time delivers an information advantage that enables us to finely-tune style considerations such as value and growth or market-cap positioning in the WealthSelect Portfolios.

This greater visibility is a powerful tool when it comes to the construction and rebalancing of the portfolios.

¹ Source: Quilter Investors as at 31 March 2024.

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Helen Bradshaw, WealthSelect portfolio manager



A world of choice

Between them, our WealthSelect global partners offer close to 5,000 different fund strategies from which we can choose. Thanks to our partnership approach we have access to any of these strategies, including a great number that aren't available to UK retail investors.

One of the best examples of this is the Quilter Investors US Equity Growth Fund managed by JP Morgan's Felise Agranoff. The fund is managed in the same way as the JP Morgan US Growth Advantage strategy, one of well over 200 different fund strategies managed by JP Morgan globally.

The retail fund isn't made available to UK investors anywhere else in the market, but thanks to our partnership with JP Morgan we've been able to offer investors access to this highly successful, large-cap growth strategy in WealthSelect. This is a good illustration of how your clients benefit from our access to world-class managers.



Felise Agranoff, Portfolio Manager, J.P. Morgan

Tailored finish

The creation of a sub-advised mandate comes down to finding a strategy that appeals, with a manager that can demonstrate a robust and repeatable investment process. However, a sub-advised mandate also allows us to refine the investment strategy to reflect a desired customer objective. We can tailor anything about an underlying strategy, from its objectives or risk parameters to implementing responsible investment considerations.

A good example of this approach is the Quilter Investors Europe (ex UK) Equity Income Fund, managed by Schroders. We liked the philosophy and process employed by the European Value team at Schroders, however, it didn't run a Europe ex-UK strategy. We worked closely with Schroders to tailor a strategy to our needs, which would exclude the UK, and the strategy was adopted in September 2020.

Trading advantages

Occasionally, fund managers retire, or leave for new fund management groups. In these scenarios, a sub-advised mandate provides a far more effective way to transfer our investment to a preferred manager than if we needed to sell down units in a standard fund and repurchase a new strategy. Instead a new manager can be appointed, making the process seamless and efficient.

Over the years, WealthSelect has grown to a position where we're able to invite leading managers to tender bids when mandate changes become necessary. This is another competitive edge which continues to deliver benefits for your clients.

Sub-advised mandates offer many advantages to you and your clients including:

- ▶ **Enhanced control** – we can refine an investment strategy to reflect a desired investment objective.
- ▶ **Greater transparency** – we have real-time access to the underlying holdings to offer better insight and data.
- ▶ **Increased flexibility** – we can change an investment adviser far more efficiently than a standard fund switch.

Click here to find out more about our WealthSelect global partners ▶

Important information

The value of investments and the income from them may go down as well as up and investors may not get back any of the amount originally invested. Because of this, an investor is not certain to make a profit on an investment and may lose money. Exchange rate changes may cause the value of overseas investments to rise or fall.

Please be aware that calls and electronic communications may be recorded for monitoring, regulatory and training purposes and records are available for at least five years.

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