



INSIGHT INVESTMENT PROFILE | Q4 2017

INSIGHT INVESTMENT IS EUROPE'S THIRD LARGEST INSTITUTIONAL INVESTMENT MANAGER¹, MANAGING £552BN IN ASSETS² FOR PENSION FUNDS, INSURERS, SOVEREIGN WEALTH FUNDS, FINANCIAL INSTITUTIONS.

As a specialist asset manager, we aim to deliver consistent and repeatable performance by focusing only on those things we believe we can do well, which include fixed income, risk management strategies including liability-driven investment (LDI) and currency risk management, absolute return and multi-asset.

Insight is headquartered in London, with offices in New York and Sydney, and employs 757 people including 221 investment professionals. We are owned by Bank of New York Mellon (BNY Mellon) but remain autonomous, operating with an independent management structure and boards. As part of BNY Mellon's multi-boutique structure, Insight has the backing of a sound global financial institution for which asset management is a core strategic priority.

In 2013, currency risk management specialist Pareto Investment Management joined Insight and more recently in 2015 US fixed income boutique Cutwater Asset Management was acquired by BNY Mellon. Today, these businesses operate as Insight Investment.

OUR COMPANY

At the heart of Insight's investment philosophy is a determination to offer clients innovative solutions with the goal of delivering mutually agreed outcomes. By working in partnership with clients and their advisers, Insight develops effective investment strategies designed to evolve dynamically to meet their changing needs.

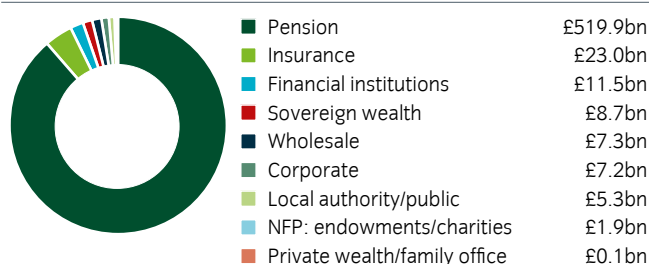
Since our launch in 2002, our partnership approach has delivered an impressive record of growing assets under management based on loyal and satisfied customers, making Insight a leading force in investment management.

ASSETS UNDER MANAGEMENT BREAKDOWN²

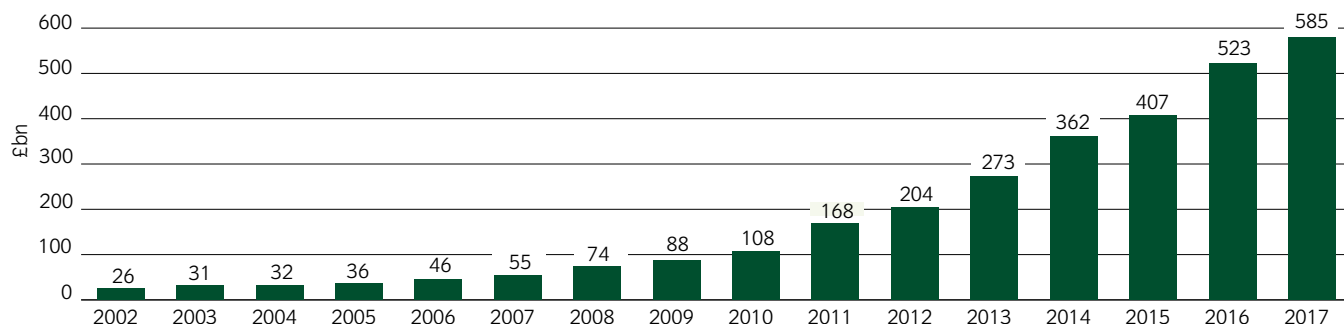
By investment area



By client type



ASSETS UNDER MANAGEMENT²



¹ Source: IPE, 'Top 400 Asset Managers' survey, June 2017. Insight is ranked third out of the top 120 European institutional managers by total AUM for external Europe-domiciled institutional clients. ² As at 31 December 2017. Assets under management (AUM) are represented by the value of cash securities and other economic exposure managed for clients. Reflects the AUM of Insight, the corporate brand for certain companies operated by Insight Investment Management Limited (IIML). Insight includes, among others, Insight Investment Management (Global) Limited (IIMG), Insight Investment International Limited (IIL), Cutwater Asset Management Corp. (CAMC), Cutwater Investor Services Corp. (CISC) and Insight North America LLC (INA), each of which provides asset management services. Excludes previous parent introduced assets prior to 2009.

OUR EXPERTISE

Risk management and liability driven investment

Insight was one of the pioneers of liability driven investment (LDI), an essential component of pension funds' investment strategy to help them manage their funding level volatility. We believe that our active approach to LDI is a key differentiator for us in the market. By focusing on liabilities and managing the risks associated with delivering future cash flows, LDI aims to help clients to meet their funding objectives with less volatility and without compromising return. Since introducing our LDI capability, we have broadened our range of risk management strategies and continue to develop new solutions relevant to pension clients of all sizes and governance structures. These innovations include longevity risk management, synthetic equity strategies and tail-risk management.

Insight is a leading global LDI manager and in the 2017 Greenwich Survey³, Insight was ranked number one for LDI with UK consultants for the eighth consecutive year and number one for fixed income in 2014, 2015, 2016 and 2017. Our Financial Solutions Group (FSG) consists of a dedicated team of 50 LDI specialists covering every component of the design, implementation and management of a successful risk management strategy.

Fixed income and cash

Globally, we manage £121.5bn in fixed income assets through an experienced and well-resourced team of 108 fixed income specialists managing assets against a range of traditional and highly bespoke benchmarks. This expertise spans the spectrum of global fixed income opportunities and includes strategies such as global credit, buy and maintain and global absolute return bonds. The team also manages a wide range of US strategies, covering core, core plus, corporate, intermediate, select income and long duration fixed income in the world's biggest and most diverse credit market.

Our combined global secured lending and loans capability gives Insight a strong position in the space of low-default, illiquid credit investments. We also manage short duration, high quality portfolios for public entities' operating cash assets, tailored to their specific cash flow and risk tolerances.

Currency

Insight offers a range of strategies that aim to provide effective management of foreign currency exposures. Our team of currency specialists offers active currency overlay and hedging strategies to manage currency risk and cash flows in international investment portfolios. These model-driven strategies are tailored to meet the specific needs of large, sophisticated investors. In addition, Insight also provides access to strategies which aim to generate alpha from currency positions. These strategies have been constructed with the intention of providing returns that have a low correlation with other currency strategies, alternatives and traditional asset classes across different market environments.

Absolute return and unconstrained

Our diverse fund range offers investors the ability to capture our best ideas for investment in their respective asset classes. These ideas are implemented using a flexible investment strategy that targets lower volatility than a traditional long-only investment approach.

Real assets

As an asset class which has inherent value and can offer the potential for regular income and inflation linkage, real assets have an important role to play in meeting the needs of investors today. Real assets can be an effective investment for those looking to diversify and add inflation linkage to their portfolios. Those real assets which can remain resilient across a variety of economic cycles may be especially attractive to investors given the uncertain economic outlook. Insight's global farmland capability invests in global farmland holdings with the objective of providing investors with exposure to the projected growth in the agricultural sector. It offers an uncorrelated source of return that has been less volatile than other commodities alternatives. It has provided a natural hedge against inflation and has remained resilient across economic cycles.

Multi-asset

Insight has developed a range of funds which aim to meet the needs of investors and their varying objectives and risk profiles. We launched Insight's flagship multi-asset strategy – the Insight broad opportunities strategy – in December 2004 and have a track record that predates the global financial crisis. The team has a transparent approach to investment that emphasises three core principles of multi-asset investing: diversification, dynamic asset allocation and downside risk management. The approach taken by Insight's broad opportunities strategy underlies four different portfolios, meaning investors choose the multi-asset portfolio which most closely matches their objectives.

³Source: Greenwich Associates survey 2017. Results are based on interviews with 12 UK consultants evaluating LDI and fixed income managers. All data as at 31 December 2017 unless otherwise stated.

IMPORTANT INFORMATION

RISK DISCLOSURES

Past performance is not indicative of future results. Investment in any strategy involves a risk of loss which may partly be due to exchange rate fluctuations.

The performance results shown, whether net or gross of investment management fees, reflect the reinvestment of dividends and/or income and other earnings. Any gross of fees performance does not include fees and charges and these can have a material detrimental effect on the performance of an investment.

Any target performance aims are not a guarantee, may not be achieved and a capital loss may occur. Funds which have a higher performance aim generally take more risk to achieve this and so have a greater potential for the returns to be significantly different than expected.

Portfolio holdings are subject to change, for information only and are not investment recommendations.

ASSOCIATED INVESTMENT RISKS

Where the portfolio holds over 35% of its net asset value in securities of one governmental issuer, the value of the portfolio may be profoundly affected if one or more of these issuers fails to meet its obligations or suffers a ratings downgrade.

A credit default swap (CDS) provides a measure of protection against defaults of debt issuers but there is no assurance their use will be effective or will have the desired result.

The issuer of a debt security may not pay income or repay capital to the bondholder when due.

Derivatives may be used to generate returns as well as to reduce costs and/or the overall risk of the portfolio. Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment.

Investments in emerging markets can be less liquid and riskier than more developed markets and difficulties in accounting, dealing, settlement and custody may arise.

Investments in bonds are affected by interest rates and inflation trends which may affect the value of the portfolio.

Where high yield instruments are held, their low credit rating indicates a greater risk of default, which would affect the value of the portfolio.

The investment manager may invest in instruments which can be difficult to sell when markets are stressed.

Where leverage is used as part of the management of the portfolio through the use of swaps and other derivative instruments, this can increase the overall volatility. While leverage presents opportunities for increasing total returns, it has the effect of potentially increasing losses as well. Any event that adversely affects the value of an investment would be magnified to the extent that leverage is employed by the portfolio. Any losses would therefore be greater than if leverage were not employed.

While efforts will be made to eliminate potential inequalities between shareholders in a pooled fund through the performance fee calculation methodology, there may be occasions where a shareholder may pay a performance fee for which they have not received a commensurate benefit.

The specific collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value. Also, many loans are not actively traded, which may impair the ability of the portfolio to realise full value in the event of the need to liquidate such assets.

Property assets are inherently less liquid and more difficult to sell than other assets. The valuation of physical property is a matter of the valuer's judgement rather than fact.

FIND OUT MORE

Institutional Business Development

businessdevelopment@insightinvestment.com
+44 20 7321 1552

European Business Development

europe@insightinvestment.com
+44 20 7321 1928

Consultant Relationship Management

consultantrelations@insightinvestment.com
+44 20 7321 1023

Client Relationship Management

clientdirectors@insightinvestment.com
+44 20 7321 1499



@InsightInvestIM



company/insight-investment



www.insightinvestment.com

This document is a financial promotion and is not investment advice. Investment in any strategy involves a risk of loss. Unless otherwise attributed the views and opinions expressed are those of Insight Investment at the time of publication and are subject to change. This document may not be used for the purposes of an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Insight does not provide tax or legal advice to its clients and all investors are strongly urged to seek professional advice regarding any potential strategy or investment. Issued by Insight Investment Management (Global) Limited. Registered office 160 Queen Victoria Street, London EC4V 4LA. Registered in England and Wales. Registered number 00827982. Authorised and regulated by the Financial Conduct Authority. FCA Firm reference number 119308. © 2018 Insight Investment. All rights reserved.