

AJ Bell Assessment of value report summary

The Financial Conduct Authority (FCA) requires UK Authorised Fund Managers to publish an annual assessment of the value provided by their funds to investors. This covers a variety of areas from costs and performance, through to quality of services and economies of scale. Our Authorised Fund Manager (AFM) Valu-Trac produces the Value for Money Assessment for the VT AJ Bell Funds, covering the 12-month period to the 31 March 2022. We are pleased to present a summary of that assessment.

The assessment has been conducted by Valu-Trac against the seven factors outlined by the FCA and has rated our Funds via a 'traffic light' system; where green indicates good value, amber room for improvement, and red poor value. The dashboard below shows an overall summary of the assessment.

Fund	Performance	Fund costs	Economies of scale	Comparable market rates	Comparable services	Classes of units	Quality of service	Overall
VT AJ Bell Cautious	●	●	●	●	●	●	●	●
VT AJ Bell Moderately Cautious	●	●	●	●	●	●	●	●
VT AJ Bell Balanced	●	●	●	●	●	●	●	●
VT AJ Bell Moderately Adventurous	●	●	●	●	●	●	●	●
VT AJ Bell Adventurous	●	●	●	●	●	●	●	●
VT AJ Bell Global Growth	●	●	●	●	●	●	●	●
VT AJ Bell Income	●	●	●	●	●	●	●	●
VT AJ Bell Income & Growth	●	●	●	●	●	●	●	●
VT AJ Bell Responsible Growth	●	●	●	●	●	●	●	●

The period under review saw significant market turmoil with ongoing COVID-19 supply chain disruption, rising inflation and interest rates, and the war in Ukraine. Against this background we are pleased that our long-term investment philosophy and focus on simple, transparent, and low-cost investment solutions has continued to deliver strong returns for our customers.

Overall, Valu-Trac believe that our Funds offer good value to customers, and we continue to look for areas to improve and work hard to manage your money.

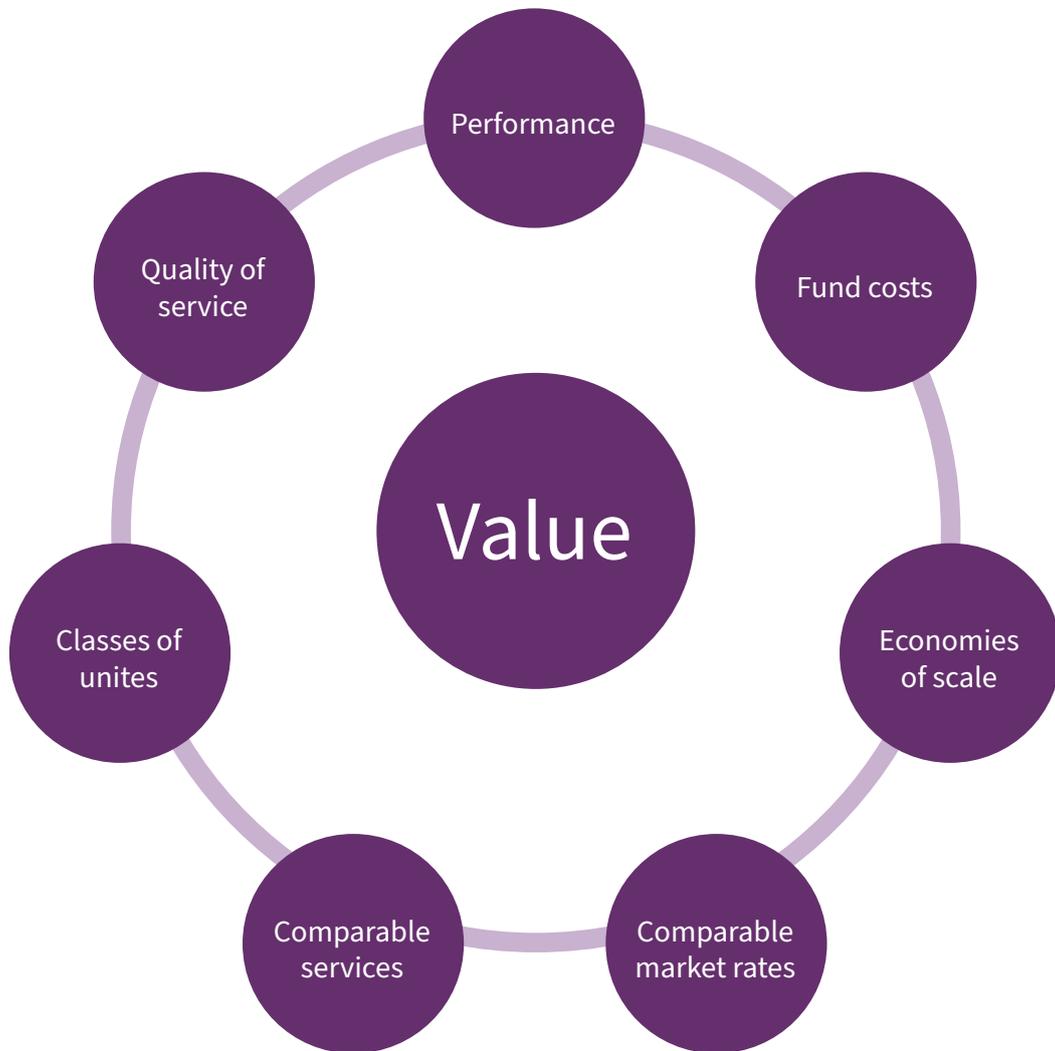
Thank you for choosing to invest with AJ Bell.




Mark Gillan
Head of Product
AJ Bell Asset Management Ltd

The seven assessment factors

In order to provide a broad assessment of value, the FCA has specified seven criteria that should be used, and Valu-Trac have therefore chosen to structure their assessment around these different factors, with a detailed analysis of how each of the Funds performed in each category.



Performance

Here, the AFM look to assess performance based on the stated objectives of the Funds, over an appropriate timescale. The funds aim to make a positive return over a 5 year period. The oldest of the Funds launched on the 18 April 2017, however, and as this assessment covers the period up to 31 March 2022, their track record is shorter than the recommended period. They will therefore assess against a selection of periods for comparative purposes.

Please note that the value of investments and the income from them can go down as well as up, and you may not get back your original investment. Past performance is not a guide to future performance and some investments need to be held for the long term.

The VT AJ Bell Funds are a range of multi-asset funds, some of which have long-term capital growth objectives (the “**Growth**” Funds), others having a target average yield objective (the “Income” Funds) and lastly the “**Responsible Growth**” Fund, which launched in November 2020, and focuses on investing with an Environmental, Social and Governance (ESG) mandate. To assess performance, it is therefore useful to consider these separately.

Growth Funds	Income Funds	Responsible Funds
VT AJ Bell Cautious	VT AJ Bell Income	VT AJ Bell Responsible Growth
VT AJ Bell Moderately Cautious	VT AJ Bell Income & Growth	
VT AJ Bell Balanced		
VT AJ Bell Moderately Adventurous		
VT AJ Bell Adventurous		
VT AJ Bell Global Growth		

The Funds are multi-asset in nature (although at times during the 12 months to the 31 March 2022, some Funds were 100% invested in equities) and therefore no single financial instrument or index represents a fair benchmark. However, to give context and enable an objective assessment of performance, it is suggested that the performance can be assessed by comparing total return to other funds with similar return and/or risk objectives. The IA (Investment Association) provides the median performance of funds with similar characteristics (IA sectors). The Growth and Responsible Funds are assigned to the following IA Sectors:

Fund	IA Sector
VT AJ Bell Cautious	Mixed Investment 0-35% Shares
VT AJ Bell Moderately Cautious	Mixed Investment 20-60% Shares
VT AJ Bell Balanced	Mixed Investment 40-85% Shares
VT AJ Bell Moderately Adventurous	Mixed Investment 40-85% Shares
VT AJ Bell Adventurous	Flexible Investment
VT AJ Bell Global Growth	Flexible Investment
VT AJ Bell Responsible Growth	Flexible Investment

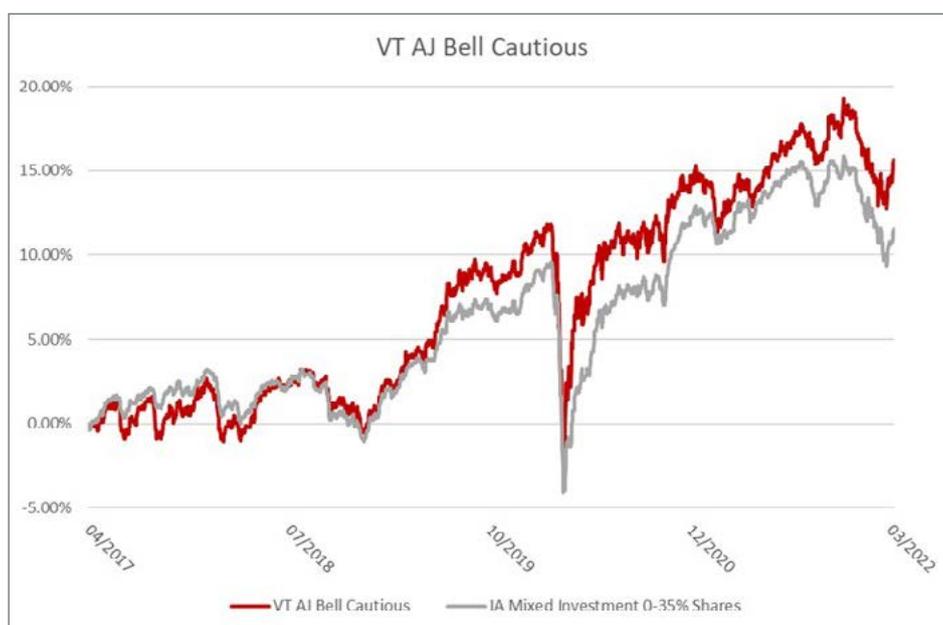
The Income Funds are not assigned to an IA sector, but instead have an objective based around a target average yield. This is a target average yield of 3-5% per annum over a trailing three-year period.

Valu-Trac have assessed and reported performance on a Fund-by-Fund basis, we have added an overall assessment of the Fund range as a whole, below.

VT AJ Bell Cautious

Fund objective

Fund Objective: The investment objective of VT AJ Bell Cautious is to achieve long-term capital growth with a high level of exposure (often indirect) to defensive assets such as cash, fixed interest securities, money market funds and collective investment schemes following alternative strategies such as property and commodities and a low level of exposure to higher risk assets such as equities.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Cautious Fund returned 2.36%, versus its IA Sector's return of 0.21%. This put the Fund in the first quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Cautious	1.53%	-2.40%	-1.06%	2.36%	3.78%
IA Mixed Investment 0-35% Shares	0.48%	-3.08%	-2.08%	0.21%	2.75%
IA Sector Quartile	1st	1st	1st	1st	1st

Discrete performance

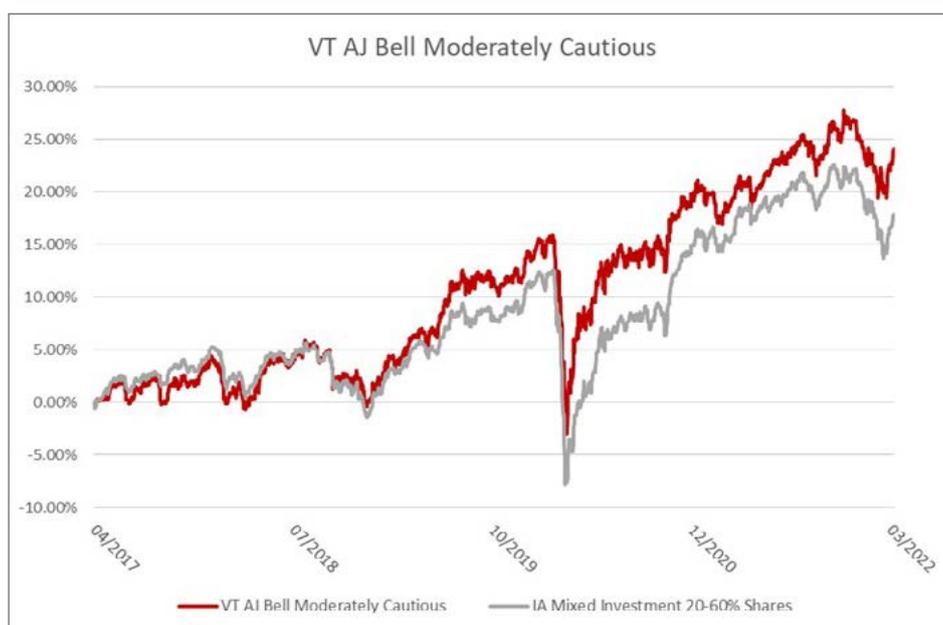
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Cautious	2.36%	9.31%	-0.09%
IA Mixed Investment 0-35% Shares	0.21%	12.23%	-3.53%
IA Sector Quartile	1st	4th	1st

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Moderately Cautious

Fund objective

The investment objective of VT AJ Bell Moderately Cautious is to achieve long-term capital growth with a preference (often indirect) towards defensive assets such as cash, fixed interest securities, money-market funds and collective investment schemes following alternative strategies such as property and commodities and less emphasis on higher risk assets such as equities.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Moderately Cautious Fund returned 4.16%, versus its IA Sector's return of 1.77%. This put the Fund in the second quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Moderately Cautious	2.17%	-2.08%	-0.22%	4.16%	5.58%
IA Mixed Investment 20-60% Shares	1.49%	-3.38%	-1.56%	1.77%	4.30%
IA Sector Quartile	1st	1st	2nd	2nd	2nd

Discrete performance

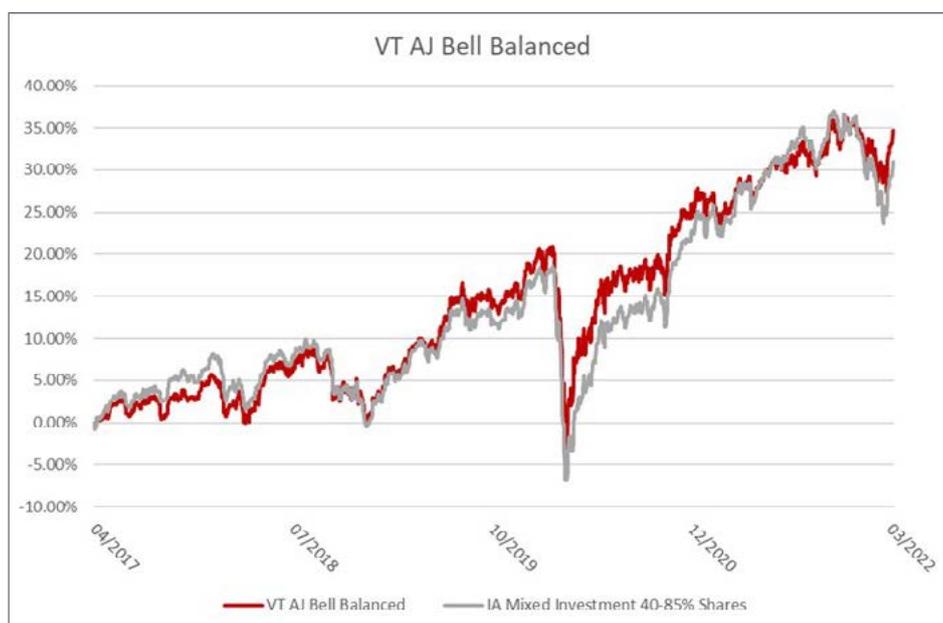
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Moderately Cautious	4.16%	15.39%	-2.07%
IA Mixed Investment 20-60% Shares	1.77%	20.07%	-7.13%
IA Sector Quartile	2nd	4th	1st

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Balanced

Fund objective

The investment objective of VT AJ Bell Balanced is to achieve long-term capital growth with a balanced approach between defensive assets such as cash, fixed interest securities, money-market funds and collective investment schemes following alternative strategies such as property and commodities, and higher risk assets such as equities.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Balanced Fund returned 6.95%, versus its IA Sector's return of 5.29%. This put the Balanced Fund in the second quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Balanced	3.18%	-0.51%	1.90%	6.95%	7.77%
IA Mixed Investment 40-85% Shares	2.79%	-3.69%	-1.01%	5.29%	7.11%
IA Sector Quartile	2nd	1st	1st	2nd	2nd

Discrete performance

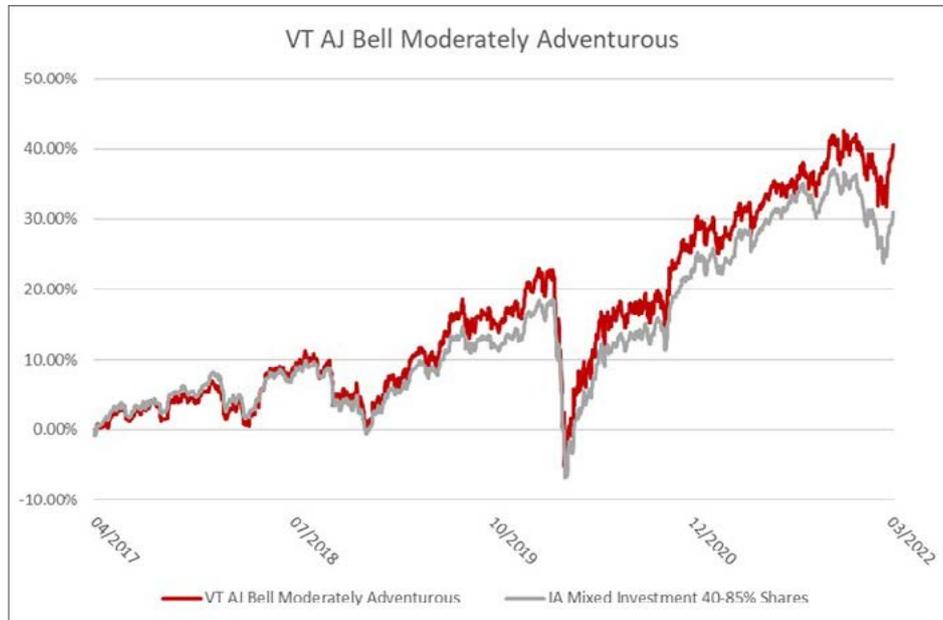
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Balanced	6.95%	20.98%	-3.24%
IA Mixed Investment 40-85% Shares	5.29%	26.50%	-7.71%
IA Sector Quartile	2nd	4th	1st

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Moderately Adventurous

Fund objective

The investment objective of VT AJ Bell Moderately Adventurous is to achieve long-term capital growth with a preference towards higher risk assets such as equities and less emphasis on lower risk assets such as cash and fixed income.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Moderately Adventurous Fund returned 9.35%, versus its IA Sector's return of 5.29%. This put the Moderately Adventurous Fund in the first quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Moderately Adventurous	3.91%	-0.38%	2.74%	9.35%	8.97%
IA Mixed Investment 40-85% Shares	2.79%	-3.69%	-1.01%	5.29%	7.11%
IA Sector Quartile	1st	1st	1st	1st	1st

Discrete performance

	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Moderately Adventurous	9.35%	26.30%	-6.27%
IA Mixed Investment 40-85% Shares	5.29%	26.50%	-7.71%
IA Sector Quartile	1st	3rd	2nd

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Adventurous

Fund objective

The investment objective of VT AJ Bell Adventurous is to achieve long-term capital growth with a preference (often indirect) towards higher risk assets such as equities and less emphasis on defensive assets such as cash, fixed interest securities, money-market funds and collective investment schemes following alternative strategies such as property and commodities.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Adventurous Fund returned 11.79%, versus its IA Sector's return of 4.99%. This put the Adventurous Fund in the first quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Adventurous	4.80%	1.08%	4.59%	11.79%	10.73%
IA Flexible Investment	2.93%	-3.65%	-1.46%	4.99%	7.69%
IA Sector Quartile	1st	1st	1st	1st	1st

Discrete performance

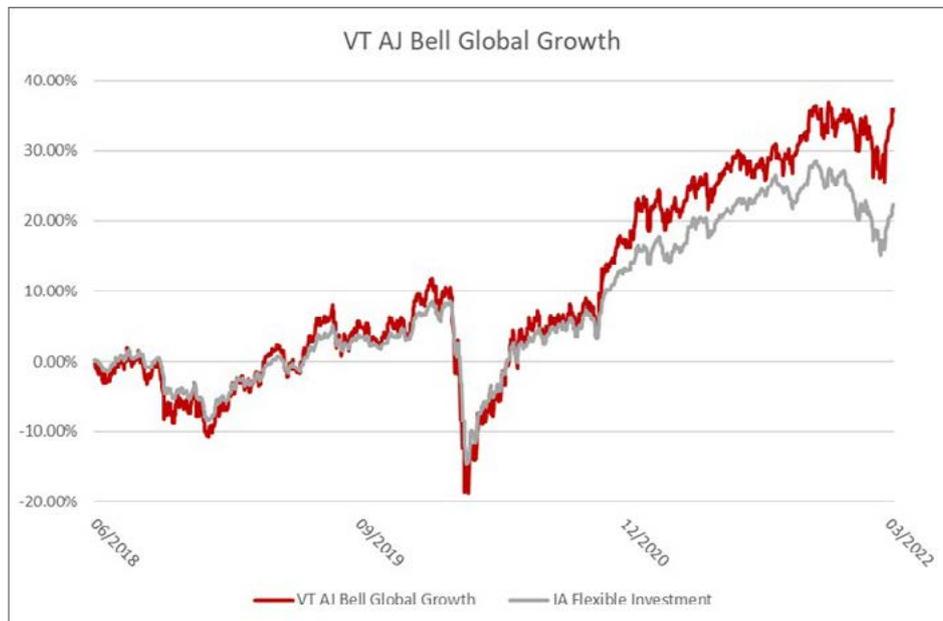
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Adventurous	11.79%	31.34%	-7.48%
IA Flexible Investment	4.99%	29.39%	-8.03%
IA Sector Quartile	1st	3rd	2nd

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Global Growth

Fund objective

The investment objective of VT AJ Bell Global Growth is to achieve long term capital growth with a focus on having exposure (often indirect) to global equities, including higher risk equities such as emerging markets, small cap and technology, with minimal holdings or exposure to defensive assets such as cash, fixed interest securities, money-market funds and collective investment schemes following alternative strategies such as property and commodities.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Global Growth Fund returned 11.03%, versus its IA Sector's return of 4.99%. This put the Global Growth Fund in the first quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Global Growth	5.12%	0.75%	4.18%	11.03%	11.35%
IA Flexible Investment	2.93%	-3.65%	-1.46%	4.99%	7.69%
IA Sector Quartile	1st	1st	1st	1st	1st

Discrete performance

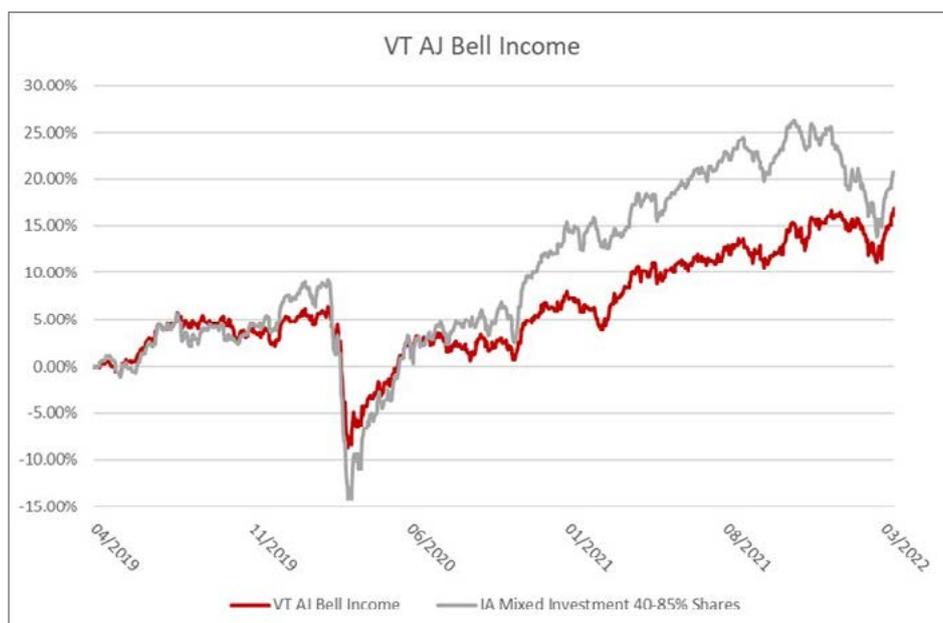
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Global Growth	11.03%	38.68%	-10.28%
IA Flexible Investment	4.99%	29.39%	-8.03%
IA Sector Quartile	1st	2nd	3rd

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Income

Fund objective

The investment objective of VT AJ Bell Income is to generate income whilst maintaining capital value over a typical investment cycle (5-10 years) through a focus on exposure to a broad range of income generating assets such as bonds and equities. The Fund has a target average yield of 3-5% per annum (over a trailing three-year period), which is not guaranteed and may be subject to change as the assumptions on which the target was calculated may change.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Income Fund returned 7.82%. versus a comparator IA Sector's return of 5.29%. This put the Income Fund in the first quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Income	3.69%	0.73%	3.58%	7.83%	-
IA Mixed Investment 40-85% Shares	2.79%	-3.69%	-1.01%	5.29%	7.11%
	1st	1st	1st	1st	-

Discrete performance

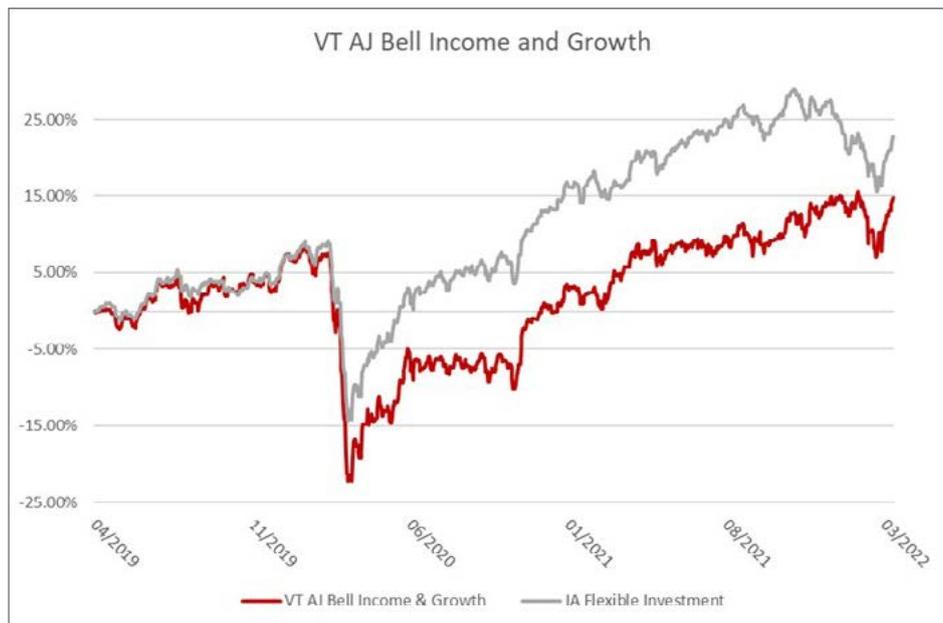
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Income	7.82%	15.02%	-
IA Mixed Investment 40-85% Shares	5.29%	26.50%	-7.71%
	1st	4th	-

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Income & Growth

Fund objective

The investment objective of VT AJ Bell Income & Growth is to achieve capital growth in line with the Consumer Prices Index whilst also generating income over a typical investment cycle (5-10 years) through a focus on exposure to equities (particularly those with above average dividend yield). The Fund has a target average yield of 3-5% per annum (over a trailing three-year period), which is not guaranteed and may be subject to change as the assumptions on which the target was calculated may change.



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Income & Growth Fund returned 8.66%, versus a comparator IA Sector's return of 4.99%. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Income & Growth	3.89%	0.75%	3.98%	8.66%	-
IA Flexible Investment	2.93%	-3.65%	-1.46%	4.99%	7.69%
	1st	1st	1st	1st	-

Discrete performance

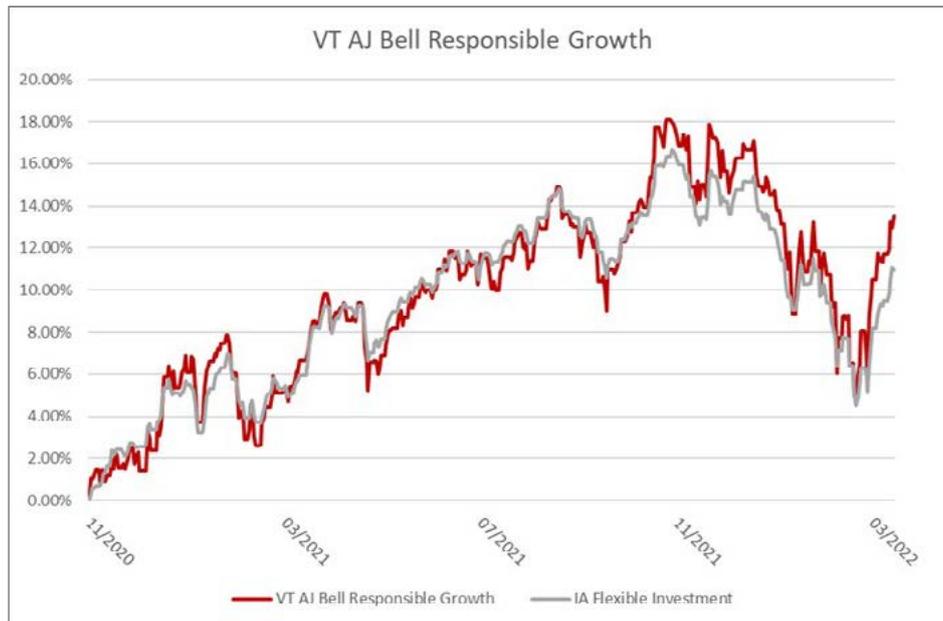
	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Income & Growth	8.66%	28.17%	-
IA Flexible Investment	4.99%	29.39%	-8.03%
IA Sector Quartile	1st	3rd	-

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

VT AJ Bell Responsible Growth

Fund objective

The investment objective of VT AJ Bell Responsible Growth is to achieve capital growth over the long-term (5 years) through investment in assets that follow a responsible strategy. The Fund will seek to achieve its objective by investing at least 80% in index-tracking investments and which consist of collective investment schemes (including those managed or operated by the Authorised Corporate Director (ACD)).



Source: Morningstar 31 March 2022

During the 12 months to the 31 March 2022, the Responsible Growth Fund returned 6.99%, versus its IA Sector's return of 4.99%. This put the Responsible Growth Fund in the second quartile of its IA Sector. Longer-term performance is shown in the tables below.

Cumulative performance

	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Responsible Growth	4.35%	-2.69%	1.03%	6.99%	-
IA Flexible Investment	2.93%	-3.65%	-1.46%	4.99%	7.69%
	1st	2nd	1st	2nd	-

Discrete performance

	01/04/2021 - 31/03/2022	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
VT AJ Bell Income & Growth	6.99%	-	-
IA Flexible Investment	4.99%	29.39%	-8.03%
IA Sector Quartile	2nd	-	-

You can view the full Assessment of Value report [here](#) and the full Fund factsheet [here](#).

Fund range cumulative performance summary

Fund	Inception date	1 month	3 months	6 months	1 year	3 years
VT AJ Bell Cautious	18/04/2017	1.53%	-2.40%	-1.06%	2.36%	3.78%
IA Mixed Investment 0-35% Shares		0.48%	-3.08%	-2.08%	0.21%	2.75%
IA Sector Quartile		1st	1st	1st	1st	1st
VT AJ Bell Moderately Cautious	18/04/2017	2.17%	-2.08%	-0.22%	4.16%	5.58%
IA Mixed Investment 20-60% Shares		1.49%	-3.38%	-1.56%	1.77%	4.30%
IA Sector Quartile		1st	1st	2nd	2nd	2nd
VT AJ Bell Balanced	18/04/2017	3.18%	-0.51%	1.90%	6.95%	7.77%
IA Mixed Investment 40-85% Shares		2.79%	-3.69%	-1.01%	5.29%	7.11%
IA Sector Quartile		2nd	1st	1st	2nd	2nd
VT AJ Bell Moderately Adventurous	18/04/2017	3.91%	-0.38%	2.74%	9.35%	8.97%
IA Mixed Investment 40-85% Shares		2.79%	-3.69%	-1.01%	5.29%	7.11%
IA Sector Quartile		1st	1st	1st	1st	1st
VT AJ Bell Adventurous	18/04/2017	4.80%	1.08%	4.59%	11.79%	10.73%
IA Flexible Investment		2.93%	-3.65%	-1.46%	4.99%	7.69%
IA Sector Quartile		1st	1st	1st	1st	1st
VT AJ Bell Global Growth	11/06/2018	5.12%	0.75%	4.18%	11.03%	11.35%
IA Flexible Investment		2.93%	-3.65%	-1.46%	4.99%	7.69%
IA Sector Quartile		1st	1st	1st	1st	1st
VT AJ Bell Responsible Growth	23/11/2020	4.35%	-2.69%	1.03%	6.99%	-
IA Flexible Investment		2.93%	-3.65%	-1.46%	4.99%	7.69%
IA Sector Quartile		1st	2nd	1st	2nd	-
VT AJ Bell Income	08/04/2019	3.69%	0.73%	3.58%	7.83%	-
IA Mixed Investment 40-85% Shares		2.79%	-3.69%	-1.01%	5.29%	7.11%
		1st	1st	1st	1st	
VT AJ Bell Income & Growth	08/04/2019	3.89%	0.75%	3.98%	8.66%	-
IA Flexible Investment		2.93%	-3.65%	-1.46%	4.99%	7.69%
		1st	1st	1st	1st	

Source: Morningstar. Correct as at 31 March 2022, Performance based on I share classes in all instances.

Income Fund dividend summary

Fund	Inception date	1 year	2 years	Since inception	Target Yield
VT AJ Bell Income	08/04/2019				
I (Accumulation)		3.25%	3.61%	1.79%	3-5%
I (Income)		3.20%	3.43%	1.79%	3-5%
VT AJ Bell Income & Growth	08/04/2019				
I (Accumulation)		3.65%	3.57%	1.79%	3-5%
I (Income)		3.67%	3.43%	1.79%	3-5%

Source: VT AJ Bell ICVC Report & Accounts for Y/E 31 March 2022

All of the Funds have met their stated objectives of capital growth (for the Growth Funds and Responsible Funds) or income generation (for the Income Funds).

The objectives are not explicitly geared towards outperforming a specific benchmark, so we have included IA sectors as a reference point and to give some market background.

As well as examining the performance of the Funds, it is also worth noting the levels of risk that were taken in order to achieve the returns detailed above. The Growth Funds have risk profiles, which are managed by restricting the types of assets held and the allocations to those assets. The risk profiles are determined using an independent external risk ratings agency's forward looking volatility assumptions. The funds operate on a 1-10 risk rating scale, where 1 is an allocation entirely to cash, and 10 is an allocation entirely to riskier equity regions such as Asia and emerging markets. Using this 1-10 scale, the Growth Funds are rated as per the table below.

Fund	Risk rating
VT AJ Bell Cautious	3
VT AJ Bell Moderately Cautious	4
VT AJ Bell Balanced	5
VT AJ Bell Moderately Adventurous	6
VT AJ Bell Adventurous	7
VT AJ Bell Global Growth	8

As noted above, the Income and Income & Growth Funds are not designed with specific capital growth targets in mind; rather they target income yields and therefore they are not risk rated in the same way as the Growth Fund range. The Responsible Growth Fund is approximately equal to the Adventurous rating of 7.

Further details of the calculations underlying the risk ratings are available upon request.

Fund costs

The costs incurred by shareholders in the year to 31 March 2022 for each of the Funds were as follows:

Fund	Audit cost	Investment management fee	Administration fee	Depository fee	Authorised corporate director fee	FCA fee	Safe custody fee	Other expenses
VT AJ Bell Cautious	£3,030.00	£89,892.00	£19,654.00	£12,926.00	£2,065.00	£52.00	£6,577.00	£4,823.00
VT AJ Bell Moderately Cautious	£3,030.00	£170,873.00	£19,654.00	£22,860.00	£2,065.00	£52.00	£11,935.00	£5,825.00
VT AJ Bell Balanced	£3,030.00	£537,855.00	£19,654.00	£61,723.00	£2,065.00	£52.00	£36,874.00	£7,725.00
VT AJ Bell Moderately Adventurous	£3,030.00	£391,482.00	£19,654.00	£46,484.00	£2,065.00	£52.00	£27,533.00	£5,329.00
VT AJ Bell Adventurous	£3,030.00	£300,210.00	£19,654.00	£36,958.00	£2,065.00	£52.00	£21,420.00	£5,215.00
VT AJ Bell Global Growth	£3,030.00	£187,709.00	£19,654.00	£24,575.00	£2,065.00	£52.00	£14,270.00	£3,806.00
VT AJ Bell Income	£3,030.00	£55,583.00	£19,453.00	£12,000.00	£2,065.00	£52.00	£3,173.00	£4,081.00
VT AJ Bell Income & Growth	£3,030.00	£90,374.00	£19,453.00	£12,000.00	£2,065.00	£52.00	£5,111.00	£4,139.00
VT AJ Bell Responsible Growth	£3,052.00	£117,875.00	£19,654.00	£14,451.00	£2,065.00	£52.00	£3,066.00	£64,944.00

Costs play a key role in long-term performance and customer outcomes. Both the AFM and the Investment Manager are focussed on reducing the costs paid by shareholders. This is reflected by the structure of the underlying expenses in the Funds, being low cost and with the majority of charges fixed so investors gain from economies of scale.

- The **authorised corporate director fee, audit fee, FCA fee** and **administration fee** are fixed costs.
- The **depository fee** has break points as assets under management rise. This means that as the assets in the Funds grow, the overall rate of the depository fee decreases and the benefits of this are passed onto shareholders.
- The **safe custody fees** are levied as an ad valorem charge per market – for example, for the UK this is 0.006% - rather than on a transactional basis, which makes them extremely competitive against peers.

The Investment Manager and AFM ensure that expenses within the Funds are constantly reviewed and negotiated with suppliers to ensure the best deal for underlying investors.

In addition to the structural costs of the Funds, we work closely with our fund management partners to ensure that the cost of the underlying investments in the Funds' portfolios are as competitive as possible. Any savings made in this area, as with the other expenses, are passed directly onto shareholders.

Towards the end of the year (from the 4 January 2022) a new structure of "all-in" fees was introduced for the Fund range. We talk about this in more detail in the next section.

Economies of scale

As investment funds grow, they can often benefit from economies of scale. It is our belief that shareholders and not investment managers should benefit from economies of scale, and the Funds have been designed with this in mind.

As described above, most of the underlying costs in the Funds are fixed, and so as the Funds grow in size, these costs become relatively smaller. All of the benefit is passed on to shareholders automatically.

The “all-in” fee model, whereby the ongoing charge figure (OCF) is fixed, ensures clarity and simplicity for investors. The fixed fees are 0.31% for the Growth Funds, 0.45% for the Responsible Growth Fund, and 0.65% for the Income Funds. This is the latest step in our mission to cut costs for investors, from an OCF of 0.5% at inception in 2017 to as low as 0.31% today. The level of the fixed fee will be reviewed annually with the intention to keep lowering the price to pass economies of scale to customers.

Current OCFs are as follows:

Fund	OCF
VT AJ Bell Cautious	0.31%
VT AJ Bell Moderately Cautious	0.31%
VT AJ Bell Balanced	0.31%
VT AJ Bell Moderately Adventurous	0.31%
VT AJ Bell Adventurous	0.31%
VT AJ Bell Global Growth	0.31%
VT AJ Bell Income	0.65%
VT AJ Bell Income & Growth	0.65%
VT AJ Bell Responsible Growth	0.45%

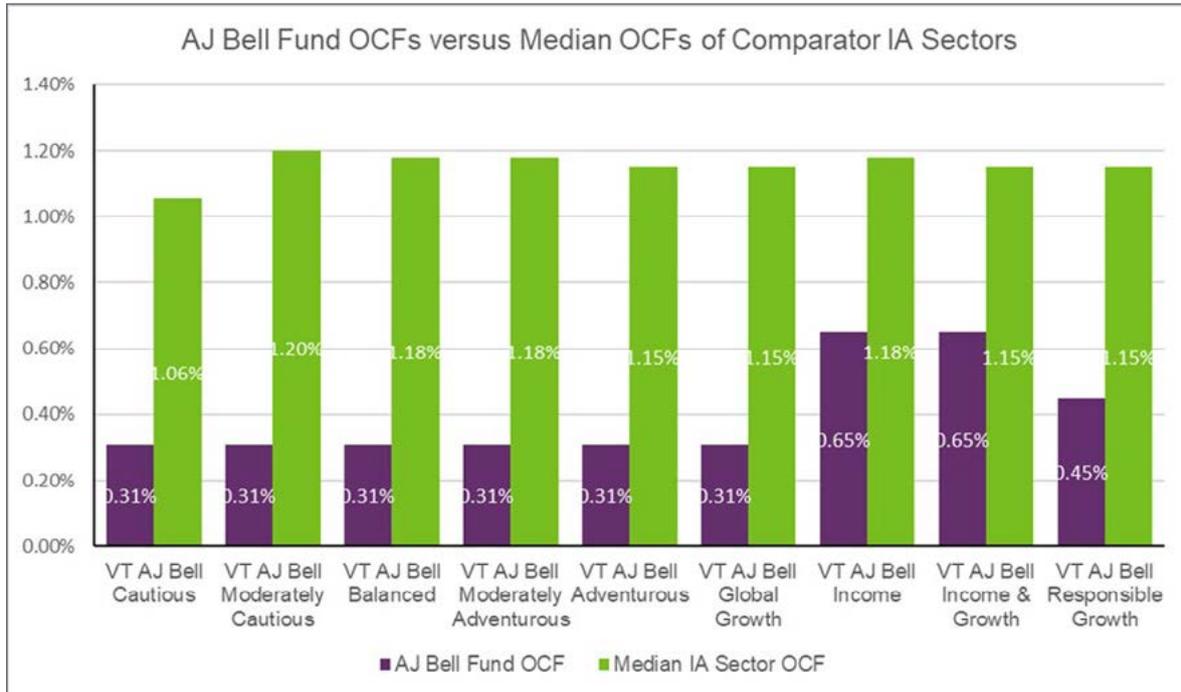
Correct as at 31 March 2022

Note that the Income Funds and Responsible Growth have a higher all-in fee than the Growth Funds because the income-producing ETFs and funds, and those with Environmental, Social and Governance mandates that are the underlying components of our portfolios tend to have a higher OCF themselves.

Comparable market rates

In order to assess the competitiveness of the Funds objectively, the AFM will look at each Fund’s OCF versus the median OCF for the most appropriate IA Sector as a comparator. For the Growth Funds and Responsible Growth Fund, these comparators are the IA Sectors mentioned within the Performance section above; for the Income Funds, which are not assigned formally to an IA Sector, the comparators are the IA Mixed Investment 40-85% Shares for the Income Fund, and the IA Flexible Investment Sector for the Income & Growth Fund.

The comparison shows that the VT AJ Bell Funds are between 0.50% and 0.89% cheaper than the average of their peer group funds. This is shown graphically below.



Source: Morningstar. Correct as at March 2022.

*Income and Income & Growth are not formal members of any IA sectors; the sectors shown here are included as the most appropriate comparators.

As discussed above, the approach to costs and pricing structure mean that as the Funds grow, we expect to pass on economies of scale to customers, drive down prices and ensure that they become even more competitive against their peer set.

Comparable services

Institutional and retail investors are not treated differently; they pay the same costs and invest in the same share classes. Therefore, smaller clients are not charged more than those with larger investments.

Classes of units

For each Fund in the range, there is a single share class – the “I” class. This means that all investors are subject to the same simple charges and expense structure, with no special benefits for larger or institutional investors as noted above, and the same fee is payable regardless of which platform is used to invest.

Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved, proportional to the amount paid by the Company for those services. The AFM monitors the following operational services:

- depositary – NatWest Trustee and Depositary Services Limited
- custodian – RBC Investor Services Trust, UK branch (RBC)
- external auditor – FKF Accounting Limited

These services are essential in ensuring that the Company operated efficiently and in the case of the Depositary and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder, this means that you can be certain that your requests such as investment and redemption of the Company’s shares will always be carried out exactly as set out in its documentation.

Valu-Trac does not delegate any of the operational functions of the Company such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM believes that the shareholders can have confidence that their instructions will be carried out efficiently and that the reporting they receive is timely and focused. This also has ensured that the AFM has responded to any enquiries from shareholders fully and promptly.

Valu-Trac has delegated the investment management of the Funds to AJ Bell. The AJ Bell team has a team of 13 seasoned investment professionals, with many years' experience in the industry, who oversee the Funds' investment management on a daily basis. This, combined with the infrastructure of the wider AJ Bell PLC group of companies, has ensured that the quality of service delivered to investors has been uninterrupted during the COVID-19 pandemic.

To ensure that its service level remains at a high standard, the team makes three market commitments:

- **Choice:** we offer a wide choice of solutions to cater a range of investment tastes.
- **Costs:** all of the Funds charge a fixed investment management fee. At 0.31% for Growth Funds, 0.45% for Responsible Growth Fund and 0.65% for the Income Funds, we are one of the lowest cost asset managers.
- **Communication:** we never forget whose money it is that we're managing and focus on both pre-sale and post-sale communication through a variety of channels, to ensure that investors are well-informed at all stages of their journey with us.

A robust internal governance structure is in place at AJ Bell, ensuring rigorous oversight of asset allocation, portfolio implementation, risk, and customer outcomes. Our Investment Committee also has independent representation from senior members of respected external investment firms.

Taken together, we believe that the AFM and Investment Manager have delivered a high quality of service to shareholders.

Conclusion

As mentioned in the introductory message, we have summarised the AFM's assessment of the VT AJ Bell Funds based on a 'traffic light' assessment system. This is shown in the table below; where green indicates good value, amber indicates room for improvement, and red indicates poor value.

Fund	Performance	Fund costs	Economies of scale	Comparable market rates	Comparable services	Classes of units	Quality of service	Overall
VT AJ Bell Cautious	●	●	●	●	●	●	●	●
VT AJ Bell Moderately Cautious	●	●	●	●	●	●	●	●
VT AJ Bell Balanced	●	●	●	●	●	●	●	●
VT AJ Bell Moderately Adventurous	●	●	●	●	●	●	●	●
VT AJ Bell Adventurous	●	●	●	●	●	●	●	●
VT AJ Bell Global Growth	●	●	●	●	●	●	●	●
VT AJ Bell Income	●	●	●	●	●	●	●	●
VT AJ Bell Income & Growth	●	●	●	●	●	●	●	●
VT AJ Bell Responsible Growth	●	●	●	●	●	●	●	●

In summary, the AFM believe that the Funds deliver overall value across the seven categories and therefore each has a 'green' rating.

The Fund range has continued to deliver great value for our shareholders across the board, with the performance of all funds in the top or second quartile of their Investment Association sectors. The portfolios are positioned to take advantage of future growth opportunities, the expense structure means that savings are passed back to investors rather than to us as investment manager, and our team is focussed on delivering even greater value and working hard to manage shareholders' wealth.

The investment objectives of each of the Funds can be found within the VT AJ Bell ICVC [prospectus](#). The Authorised Fund Manager ("AFM") is the Authorised Corporate Director of the Company, Valu-Trac Investment Management Limited ("Valu-Trac"). The Investment Manager is AJ Bell Asset Management Limited ("AJ Bell"). AJ Bell has worked together with Valu-Trac to produce the assessment.

Authorised Corporate Director (ACD)

An FCA-approved entity who is responsible for the administration and overall management of an open-ended investment company (also known as an Investment Company with Variable Capital, or OEIC). For the AJ Bell Funds, Valu-Trac Investment Management Limited is the Authorised Corporate Director.

Authorised Fund Manager (AFM)

An FCA-approved entity who is responsible for the investment management within an open-ended investment company. For the AJ Bell Funds, Valu-Trac Investment Management Limited is the Authorised Fund Manager; Valu-Trac delegates investment management to AJ Bell Asset Management Limited.

Custodian

The party appointed by the Depositary to oversee the safekeeping of the assets of an open-ended investment company. For the AJ Bell Funds, the custodian is RBC Investor Services Trust, UK branch.

Depositary

The party responsible for the oversight of an Authorised Corporate Director and safekeeping of the assets of an open-ended investment company. For the AJ Bell Funds, the depositary is NatWest Trustee & Depositary Services Limited.

Equities

Shares representing the ownership of a company.

Exchange-Traded Fund (ETF)

Exchange-Traded Funds are index-tracking investments that pool investor capital like a traditional fund, but trade on an exchange like a company share.

Financial Conduct Authority (FCA)

The Financial Conduct Authority is the regulator of the UK's financial firms and markets. The FCA has recently introduced rules stipulating that Authorised Fund Managers should publish an annual value assessment of their funds.

For more information, see: [fca.org.uk](https://www.fca.org.uk).

Investment Association (IA)

The trade body that represents the UK investment management industry. The IA categorises UK funds into a variety of sectors that can be used by investors to compare products more easily.

For more information, see: [theia.org](https://www.theia.org).

Investment company with variable capital (ICVC)

Another name for an open-ended investment company (OEIC).

Ongoing Charges Figure (OCF)

This is a measure of the total cost of investment in a fund, incorporating a variety of different underlying charges.

Open-ended investment company (OEIC)

A type of collective investment which is structured as a company which does not have a fixed number of shares. Often known as an investment company with variable capital (ICVC). VT AJ Bell ICVC, the company that contains the AJ Bell Funds, is an OEIC.