





i-Watch rating system:

-  No concern(s)
-  Moderate concern(s) requiring frequent and close monitoring
-  Serious concern(s) that require a full review and may lead to removal from the fund platform

Date 4/1/2024

Fund manager Abrdn Inc.

i-Watch status  **Increased Scrutiny**

Product(s) affected

Manulife US Equity Fund (abrdn) (8852)
Manulife US Equity Non-Registered Fund (abrdn) (8853)

Summary

- 1 Portfolio management change: Dominic Byrne, Deputy Head of Developed Markets Equity, will be departing abrdn effective April 30, 2024.
- 2 The fund downgraded to Increased Scrutiny in May 2023. Chris Haimendorf, Joanna McIntyre, and Jamie Mills O'Brian continue to manage the portfolio following Byrne's departure.
- 3 The fund's rating is unchanged, continuing to be rated under Increased Scrutiny.

Commentary

Global Manager Research (GMR) has been informed that Dominic Byrne, Deputy Head of Developed Markets Equity, is leaving abrdn at the end of April 2024 for personal reasons. Byrne was a member of the Global & US Sustainable Pod (the team) since March 2023, working alongside Joanna McIntyre, Investment Director, and Jamie Mills O'Brien, Investment Director, to assist Chris Haimendorf, Senior Investment Director, and the long-standing portfolio manager (PM) for the fund, in the day-to-day management. The current Increased Scrutiny rating was a result of Byrne, McIntyre and O'Brien's addition to the PM team as part of the broader team changes at abrdn, which also resulted in the removal of previous lead PM Scott Eun from the strategy. The fund will retain its Increased Scrutiny rating as GMR continues to monitor the implications of the team changes.

Impact

The fund's management remains rooted in a team-based approach, ensuring continuity in research and portfolio management. The team remains committed to a bottom-up approach, investing in companies with attractive quality characteristics. Additionally, the team will continue to have access to the output of abrdn's Global Sector Research (GSR) team, who will provide specialist sector and thematic insights and recommendation. The team of four originally shares decision-making responsibilities while Haimendorf is responsible for broader portfolio management responsibilities. Where Byrne had portfolio management

responsibilities, this will be absorbed by the team. At the present, there are no immediate plans to replace Byrne's role within the team and as Deputy Head of Developed Markets Equity.

Closing remarks

Despite Byrne's departure, the team continues to have substantial depth, with Haimendorf and McIntyre co-managing the fund with O'Brien's assistance, though it is disappointing to see yet another team change at abrdn in 1.5 years. The fund's Increased Scrutiny rating remains in place, and GMR will continue to monitor the fund to ensure that there are no significant changes to the investment process.



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