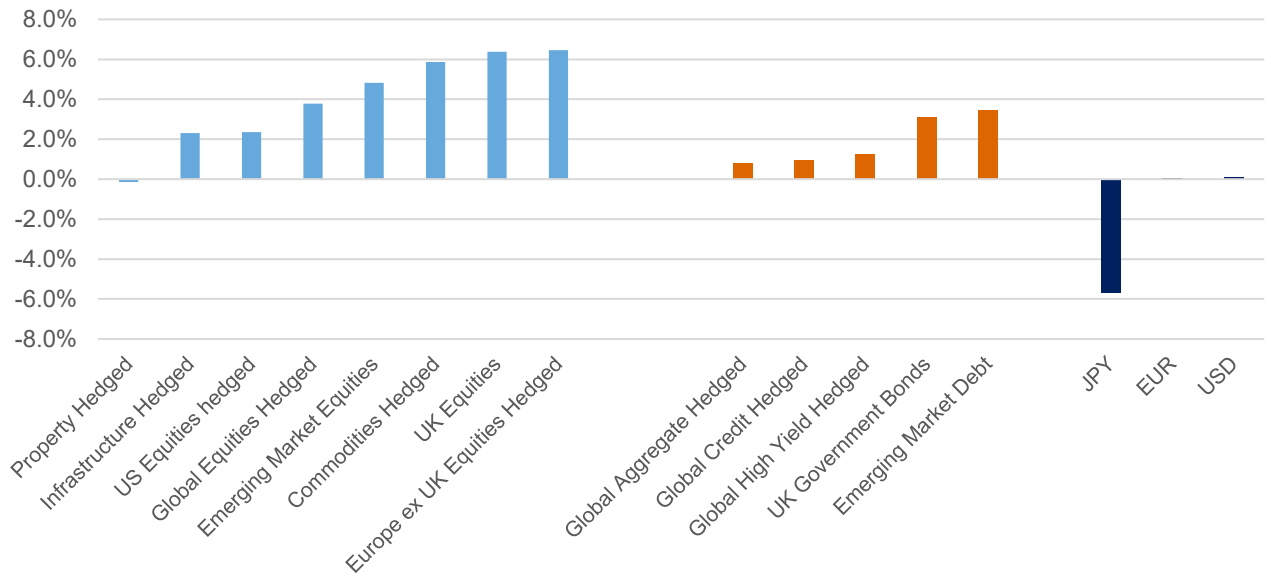
JGC - WPP Performance Summary Q4 2025

Global Market Commentary

The MSCI World Net Index rose by 3.1% (USD) over the fourth quarter. All regions saw gains in a volatile but ultimately positive end to the year. Canada, Europe, the UK and emerging markets were the best-performing markets. In contrast, the US underperformed all other regions and the global index, impacted by weakness in technology names as scepticism grew over the benefits and expected returns from massive investment in artificial intelligence (AI) capacity. Oil prices fell, ending the period below $60 per barrel amid oversupply concerns. Gold rose by double-digits, after breaking through the $4,000 per troy ounce threshold in October. The Federal Reserve (Fed) twice cut its benchmark interest rate by 25 basis points (bps). Both the Bank of England and Bank of Canada cut interest rates by 25 bps, while the European Central Bank (ECB) left rates unchanged. Towards year-end, the Bank of Japan (BoJ) raised its policy rate by 25 bps to 0.75%, a 30-year high.

In the UK, 10-year gilt yields fell in October on rising expectations of rate cuts and market-friendly messages from the Treasury. Comments from the BoE governor, Andrew Bailey, who said a weakening jobs market could help reduce inflation, also helped gilts to rally. Encouraging inflation figures heightened optimism over rate cuts, sending 10-year yields lower. As the BoE held rates in November, Governor Bailey fuelled expectations of a rate cut in December, indicating that risks had receded while September's 3.8% inflation was likely the peak. Weak jobs data and disappointing GDP growth strengthened expectations of an imminent rate cut. Gilts dropped sharply after Chancellor Rachel Reeves' apparent U-turn decision to scrap a rise in income tax in the Budget, which raised concerns about the fiscal outlook. After the Budget was announced gilt yields fell as investors were comforted by the decision to significantly raise the fiscal buffer to about £22 billion from £9 billion. The Budget encompassed £26 billion of tax rises but lacked pro-growth measures. Later, fresh data showed GDP unexpectedly fell by 0.1% MoM in October. This, and better than expected November inflation (at 3.2% YoY from 3.6%) prompted a dip in 10-year yields. As the BoE cut rates in December, the narrow 5:4 majority vote indicated ongoing inflation concerns prompting traders to recalibrate expectations of further rate cuts. Over the quarter the yield on benchmark 10-year gilts fell by 22 bps to 4.48%.

Asset class performance – Quarter to Date (December 2025)



Benchmarks : Global equity hedged (MSCI World ACWI), UK equity (FTSE All Share), US equity hedged (Russell 1000 Net GBPH), Europe ex UK equity (MSCI Europe ex UK Equity Net GBPH), Japan equity (TOPIX Net GBPH), Emerging equity (MSCI Emerging Markets Net), Global HY bonds (BofAML Global High Yield 2% Constrained Index), EMD LC (JP Morgan GBI-EM Global Diversified Index), Global credit hedged (Bloomberg Barclays Global Aggregate Credit Index), Global aggregate hedged (Bloomberg Barclays Global Aggregate Bond Index GBPH), UK Government Bonds (ICEBofAML UK Gilts All Stocks (GB), Property hedged (FTSEEPRA Nareit Dev Re GBP)

This document is prepared for officers of the WPP based on performance from Northern Trust. Inception dates are based on the starting NAV for the sub-fund. Inception dates (and therefore performance) may differ from the investment manager, who typically takes over following a transition period.

WPP Sub-fund Summary (Gross):

WPP Gross Performance	Q4 2025			1 Year			3 Year			Since Inception			Inception Date
	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	
Global Growth Equity Fund	2.8	3.4	**-0.6**	12.9	13.9	**-1.0**	13.4	15.6	**-2.2**	10.9	12.3	**-1.4**	31/01/2019
Global Opportunities Equity Fund	3.5	3.4	**0.1**	16.2	13.9	**2.3**	16.2	16.3	**-0.1**	13.5	12.6	**0.9**	31/01/2019
Sustainable Active Equity Fund	4.0	3.4	**0.6**	10.1	13.9	**-2.8**	-	-	**-**	12.3	17.0	**-4.7**	23/06/2023
Emerging Markets Equity Fund	5.0	4.8	**0.2**	28.9	24.7	**4.2**	13.4	12.3	**1.1**	5.9	5.1	**0.8**	20/10/2021
UK Opportunities Equity Fund	4.7	6.4	**-1.7**	19.5	24.0	**-4.5**	14.0	13.6	**-0.4**	7.6	8.3	**-0.7**	23/09/2019
Global Government Bond Fund	0.6	0.7	**-0.1**	5.9	3.7	**2.2**	3.7	3.7	**0.0**	-0.3	-1.2	**0.9**	30/07/2020
Global Credit Fund	0.9	0.9	**0.0**	6.6	6.7	**-0.1**	5.6	5.8	**-0.2**	0.2	0.2	**0.0**	27/07/2020
Multi Asset Credit Fund	1.3	2.0	**-0.7**	9.9	8.5	**1.4**	9.9	9.0	**0.9**	4.5	7.0	**-2.5**	27/07/2020
Absolute Return Bond Strategy Fund	1.1	1.5	**-0.4**	5.0	6.5	**-1.5**	6.5	6.9	**-0.4**	4.5	5.1	**-0.6**	30/09/2020
Sterling Credit Fund	2.5	2.5	**0.0**	7.2	6.8	**0.4**	6.4	5.7	**0.7**	0.3	-0.6	**0.9**	27/07/2020

WPP Sub-fund Summary (Net):

WPP Net Performance	Q4 2025			1 Year			3 Year			Since Inception			Inception Date
	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	
Global Growth Equity Fund	2.8	3.4	**-0.6**	12.6	13.9	**-1.3**	13.0	15.6	**-2.6**	10.5	12.3	**-1.8**	31/01/2019
Global Opportunities Equity Fund	3.5	3.4	**0.1**	15.9	13.9	**2.0**	15.9	16.3	**-0.4**	13.2	12.6	**0.6**	31/01/2019
Sustainable Active Equity Fund	4.0	3.4	**0.6**	9.7	13.9	**-4.2**	-	-	**-**	11.9	17.0	**-5.1**	23/06/2023
Emerging Markets Equity Fund	4.9	4.8	**0.1**	28.4	24.7	**3.7**	13.0	12.3	**0.7**	5.4	5.1	**0.3**	20/10/2021
UK Opportunities Equity Fund	4.6	6.4	**-1.8**	19.1	24.0	**-4.9**	13.6	13.6	**0.0**	7.2	8.3	**-1.1**	23/09/2019
Global Government Bond Fund	0.5	0.7	**-0.2**	5.6	3.7	**1.9**	3.5	3.7	**-0.2**	-0.5	-1.2	**0.7**	30/07/2020
Global Credit Fund	0.8	0.9	**-0.1**	6.4	6.7	**-0.3**	5.4	5.8	**-0.4**	0.0	0.2	**-0.2**	27/07/2020
Multi Asset Credit Fund	1.2	2.0	**-0.8**	9.5	8.5	**1.0**	9.6	9.0	**0.6**	4.2	7.0	**-2.8**	27/07/2020
Absolute Return Bond Strategy Fund	1.0	1.5	**-0.5**	4.7	6.5	**-1.8**	6.3	6.9	**-0.6**	4.2	5.1	**-0.8**	30/09/2020
Sterling Credit Fund	2.5	2.5	**0.0**	7.0	6.8	**0.2**	6.3	5.7	**0.6**	0.2	-0.6	**0.8**	27/07/2020

Note: Inception date is based starting NAV for the sub-fund. This inception date (and therefore actual performance) may differ from the investment manager, who typically takes over following a transition period.

Global Growth Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	2.8	12.9	13.4	8.3	10.9
Net	2.8	12.6	13.0	7.9	10.5
MSCI AC World Index Net*	3.4	13.9	15.6	11.2	12.3
Excess returns (gross)	-0.6	-1.0	-2.2	-2.9	-1.4
Excess returns (Net)	-0.6	-1.3	-2.6	-3.3	-1.8

Inception Date: 18th November 2024
Source: Northern Trust as of 31 December 2025
Benchmark: MSCI AC World Net Total Return Index GBP
***Figures include a performance holiday in November 2024 around the transition of the Fund.**

Please note that Russell Investments took over the Global Growth Equity Fund mandate on 18 November 2024.
Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund registered a positive absolute return over the fourth quarter but finished behind the benchmark on a relative basis.

The Fund underperformed, impacted by its growth and small cap tilts, which were headwinds in the period. At the sector level, overweight exposure to and stock selection within consumer discretionary detracted from relative returns, notably an overweight to AutoZone. Stock selection within industrials was also ineffective (overweight Carrier Global, Copart). In health care an underweight to pharmaceuticals giant Eli Lilly was unhelpful. Positive stock selection within communication services was helped by an overweight to Alphabet. At the manager level, Pzena was by far the best performer, rewarded for its value tilt. Positive contributions came from an underweight to and selection within information technology (overweight Samsung Electronics, Nokia). Further positive contribution came from an overweight to and stock selection within financials (overweight to Citigroup, Bank of Ireland). Baillie Gifford was the worst performer. Its growth focus was out of favour in the period. In sectors, overweight exposure to and stock selection within consumer discretionary was the main detractor, in particular, overweights to Prosus, DoorDash and Sea Ltd. Stock selection within communication services was also unhelpful (overweight Meta).

Global Opportunities Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	3.5	16.2	16.2	12.4	13.5
Net	3.5	15.9	15.9	12.1	13.2
MSCI AC World Index Net	3.4	13.9	16.3	11.6	12.6
Excess returns (gross)	0.1	2.3	-0.1	0.8	0.9
Excess returns (Net)	0.1	2.0	-0.4	0.5	0.6

Inception Date: COB 31st January 2019
Source: Northern Trust as of 31 December 2025
Benchmark: MSCI AC World Net Total Return Index GBP

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund registered a positive absolute return over the fourth quarter and finished ahead of the benchmark on a relative basis.

The Fund outperformed benefitting from its value exposure. At the sector level, overweight exposure to and stock selection within materials was a key positive contributor as this sector continued to outperform. In particular, overweights to Aluminum Corporation of China and precious metals miner Fresnillo were rewarded. Stock selection within financials was also effective (overweight Lloyds Banking Group). In information technology, positive stock selection was seen in an overweight to Samsung Electronics and an underweight to Oracle although this was partly offset by underweights to SK Hynix and Micron Technology, which detracted. In health care, the best-performing sector, although an overweight to the sector was helpful, stock selection was negative (underweight Eli Lilly). However, an off-benchmark position in Nippon Shinyaku and an overweight to Roche mitigated some of the impact. The main detractors of relative returns were stock selection in consumer discretionary and industrials. In the former, an off-benchmark position in Coupang and an overweight to Alibaba were detrimental while an overweight to Uber in the industrials sector was unhelpful. At the manager level, Sanders was the best performer, helped by its value exposure and tilt to large caps. Stock selection was particularly effective, notably within technology. This included overweights to Samsung Electronics and Applied Materials. As in the previous quarter, Morgan Stanley was the worst performer. Negative stock selection was the key driver of underperformance. Relative performance was held back by an overweight to and stock selection within consumer discretionary (overweight DoorDash, off-benchmark exposure to Coupang). Selection within communication services (overweight Spotify) was also detrimental.

Sustainable Active Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	Since Inception
Gross	4.0	10.1	12.3
Net	4.0	9.7	11.9
MSCI AC World Index Net	3.4	13.9	17.0
Excess returns (gross)	0.6	-3.8	-4.7
Excess returns (Net)	0.6	-4.2	-5.1

Inception Date: COB 23rd June 2023
Source: Northern Trust as of 31 December 2025
Benchmark: MSCI AC World Net Total Return Index GBP

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund registered a positive absolute return of 0.82% in the fourth quarter but finished behind the benchmark on a relative basis.

The Fund's factor positioning was marginally rewarded within this environment. The tilt towards value stocks contributed to positive relative returns. However, the preference for small capitalisation stocks detracted. On a regional basis, sStock selection was positive within Emerging Markets and US Exposure to US names Sandisk (off-benchmark), Alcoa (off-benchmark) and an underweight to Meta were notable contributors. At the sector level, stock selection was positive within information technology but was negative within financials (overweight to 3i Group) and industrials (overweight Owens Corning). Positioning and effective selection within the health care (overweight) and consumer discretionary (underweight) sectors was also rewarded. At the manager level, Sparinvest S.A. was the best-performing strategy. SNeuberger Berman and Wellington underperformed.

EM Market Commentary

Emerging markets (EM) outperformed the MSCI World Net Index over the quarter. South Korea, Chile and Hungary were among the best performers. South Korea's equity market was boosted by strong performance in the technology sector, particularly among semiconductor manufacturers such as TSMC and SK Hynix. As well as its dominance in AI-related industries and strong positions in other sectors such as defence and shipbuilding, South Korea's equity market was rewarded for the government's corporate governance reforms, which boosted foreign investment flows. In addition, third quarter GDP growth positively surprised at 1.2% QoQ (1.7% YoY) in its best quarter since Q2 2024. Stronger exports underpinned growth. China, Turkey, and Middle East markets (Saudi Arabia, Qatar and Kuwait) underperformed, the latter impacted by lower oil prices, which fell below $60 per barrel. China's market saw weakness in technology and communication services sectors. Lacklustre economic data also weighed. Earlier in the quarter, sentiment dropped following President Trump's warning of higher tariffs on China following the Chinese government's announcement of export controls on rare earths and critical minerals. Although progress was made at the subsequent US-China summit meeting in South Korea, some viewed the concessions as modest.

EM Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	Since Inception
Gross	5.0	28.9	13.4	5.9
Net	4.9	28.4	13.0	5.4
MSCI Emerging Market Index	4.8	24.7	12.3	5.1
Excess returns (gross)	0.2	4.2	1.1	0.8
Excess returns (Net)	0.1	3.7	0.7	0.4

Inception Date: COB 20th October 2021
Source: Northern Trust as of 31 December 2025
Benchmark: MSCI Emerging Markets Index Net

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund slightly outperformed the benchmark return. Factor positioning was a small detractor. Exposure to the smallest stocks within the index was unrewarded as large cap value names led the market higher. At the country level, an overweight to and positive stock selection within the strong-performing South Korean market was rewarded. This included overweight exposure to technology names SK Hynix and Samsung Electro-Mechanics. Stock selection within Taiwan, India and Indonesia was positive. An underweight to Saudi Arabia – the weakest-performing country this period – was a further contributor. However, weak stock selection within Brazil weighed on performance. . Elsewhere, an overweight to and effective selection within materials was a further contributor, driven by off-benchmark exposure to mining names (Fresnillo, Barrick Mining). At the manager level, Barrow Hanley was the standout performer, benefitting from its value tilt and effective country allocation and stock selection (Korea, China). Sands' growth strategy was the weakest-performer this quarter, with negative stock selection the key driver of underperformance.

UK Market Commentary

UK equities outperformed the global index and all other markets except Canada, propelled higher by health care (AstraZeneca) and materials (Fresnillo) names. The UK market also benefitted from a lack of big technology companies amid growing concerns over high valuations and fears of an AI bubble. Shares fell mid-November, mirroring trends elsewhere, before regaining their positive momentum. Meanwhile, confusion over the November Budget weighed in response to apparent indecision within the government. The Budget itself prompted only a muted market response although participants welcomed a doubling of the fiscal headroom. It was largely a tax-raising affair that raised taxes by £26 billion partly via freezing personal income tax thresholds. In the economy, inflation encouraged, easing in November to 3.2% YoY from 3.6%, while core inflation slowed to 3.2% from 3.4%. PMIs also broadly improved although the construction sector faltered. In other signs of weakness, GDP unexpectedly fell by 0.1% MoM in October, partially impacted by a production shutdown at car maker Jaguar Land Rover in the late summer. The unemployment rate increased to 5.1% in the three months to October, up from 5.0% in the previous period and wage growth slowed. In addition, retail sales were weak as consumers held back spending ahead of the Budget.

UK Opportunities Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Years	Since Inception
Gross	4.7	19.5	14.0	9.5	7.6
Net	4.6	19.1	13.6	9.2	7.2
FTSE All Share	6.4	24.0	13.6	11.7	8.3
Excess returns (gross)	-1.7	-4.5	0.4	-2.2	-0.7
Excess returns (Net)	-1.8	-4.9	0.0	-2.5	-1.1

Inception Date: COB 23rd September 2019
Source: Northern Trust as of 31 December 2025
Benchmark: FTSE All Share Index

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

***Preliminary return figures as Russell Investments reconcile discrepancies with NT**

Overall Fund Commentary

The Fund underperformed the positive benchmark return in the fourth quarter.

The Fund's tilt towards small capitalisation stocks detracted from relative returns in a period where large capitalisation value names led the market higher. Sector positioning and stock selection was negative. This included positioning and selection within financials (underweight), health care (underweight), materials (underweight) and communication services (overweight). An underweight to AstraZeneca and an overweight to AJ Bell and Auto Trader were key detractors at the stock level. However, effective stock selection within industrials and consumer discretionary limited additional underperformance. This was underpinned by underweights to BAE Systems and RELX. Aside from Fidelity, most underlying managers underperformed this quarter, with Baillie Gifford the weakest-performer.

Fixed Income Market Commentary

In the US, early in the quarter fears of a renewed trade war between the US and China, and the government shutdown weighed on sentiment. Uncertainty caused by the delays in economic data releases impacted the market's ability to judge the Fed's next move on interest rates. Following the Fed's rate cut in October, comments from Fed officials strengthened expectations of a December rate cut with concerns voiced over the strength of the labour market. Although the Fed cut rates as expected in December, the meeting was divisive, exposing opposing views over whether to prioritise tackling a weakening jobs market or high inflation. Delayed non-farm payrolls for October showed 105,000 jobs lost, much worse than the 25,000 decline expected, largely due to significant cuts to federal government jobs. Although 64,000 jobs were added in November, above the estimate, unemployment ticked up to 4.6% that month, the highest in over four years. Meanwhile, inflation eased in November to 2.7% YoY, well below the 3.1% forecast and September's 3.0% (no October data was available due to the government shutdown). Core inflation was 2.6% versus the 3.0% expectation. Over the quarter the yield on 10-year Treasuries rose two bps to 4.17%.

Credit markets were relatively benign over the quarter with spreads remaining tight. Hard currency emerging market debt (EMD) was the best performer with spreads tightening by 27 bps to 231. Generally high yield outperformed investment grade in a market that saw global high yield spreads narrow by 17 bps to 291. US and European high yield spreads were largely unchanged. In the investment grade market, European and UK spreads narrowed modestly (-3 bps to 66; -2 to bps to 68, respectively). US investment grade spreads widened by 3 bps to 73 while global investment grade spread widening was slight (1 bps to 72). Hard currency EMD, as measured by the JPM EMBI Global Index, rose by 3.0% while local currency EMD as measured by the JP Morgan GBI-EM Global Diversified Index increased by 3.3%.

Global Government Bond Fund:

The sub-fund has an expected outperformance of **0.70%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	0.6	5.9	3.7	-0.6	-0.3
Net	0.5	5.6	3.5	-0.8	-0.5
FTSE World Gvt Bond Index (GBP Hedged)	0.7	3.7	3.7	-1.2	-1.2
Excess returns (gross)	-0.1	2.2	0.0	0.6	0.9
Excess returns (Net)	-0.2	1.9	-0.2	0.4	0.7

Inception Date: COB 30th July 2020
Source: Northern Trust as of 31 December 2025
Benchmark: FTSE World Government Bond Index (GBP Hedged)

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund recorded a positive return.

Positioning to rates in Japan – particularly underweights to 5- and 10-year maturities – was a key contributor this quarter. The Japan government's stimulus package and an interest rate hike helped push yields to their highest since the late 1990s. Dynamic positioning towards core eurozone bonds and to UK gilts was rewarded. Exposure to smaller markets also contributed this quarter, including an overweight to rates in Poland and Indonesia and dynamic positioning in Colombia. An overweight to South African 10-year rates was a further contributor. An overweight to short-dated US T-bills and overweight to rates in Australia weighed on additional performance.

Global Credit Fund:

The sub-fund has an expected outperformance of **0.75%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	0.9	6.6	5.6	-0.3	0.2
Net	0.8	6.4	5.4	-0.4	0.0
Bloomberg Barclays Global Agg Credit Index (GBP Hedged)	0.9	6.7	5.8	-0.2	0.2
Excess returns (gross)	0.0	-0.1	-0.2	-0.1	0.0
Excess returns (Net)	-0.1	-0.2	-0.4	-0.2	-0.2

Inception Date: COB 27th July 2020
Source: Northern Trust as of 31 December 2025
Benchmark: Bloomberg Barclays Global Aggregate Credit Index (GBP Hedged)

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund underperformed the benchmark return over the fourth quarter.

Credit markets were relatively benign over the quarter with spreads remaining tight. Generally high yield outperformed investment grade in a market that saw global high yield spreads narrow by double digits. Although the Fund benefitted from allocations in corporate credit this was offset by negative impacts elsewhere. In US credit, overweight exposure to high yield industrials was a notable positive contributor. In European credit, overweight exposure to high yield financials and industrials was effective while an overweight to investment grade utilities detracted. An underweight to UK investment grade financials was helpful. Offsetting these contributions were negative impacts from underweight exposure to hard currency emerging market debt in Latin America and underweight exposure to Spanish sovereign debt. Elsewhere, in US securitized credit an overweight to passthrough credit was modestly helpful.

Multi Asset Credit Fund:

The sub-funds aims to achieve a total return (the combination of income and capital growth), the equivalent of the 3 Month **GBP SONIA + 4%,** over any five-year period, after all costs and charges have been taken.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	1.3	9.9	9.9	3.6	4.5
Net	1.2	9.5	9.6	3.3	4.2
3 Month GBP SONIA + 4%	2.0	8.5	9.0	7.3	7.0
Excess returns (gross)	-0.7	1.4	0.9	-3.7	-2.5
Excess returns (Net)	-0.8	1.0	0.6	-4.0	-2.8
Strategic asset allocation benchmark	1.6	7.9	8.5	3.9	4.2

Inception Date: COB 27th July 2020

Source: Northern Trust as of 31 December 2025

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

***EMD local currency exposure is not hedged in this SAA return.**

Overall Fund Commentary

The Fund recorded a positive return in the fourth quarter.

As in the previous quarter, both rates and credit positioning were rewarded while currency detracted. In rates, exposure to shorter term US Treasuries was particularly effective. Allocations to German bunds were also helpful. In credit, exposure to US and European high yield industrials was a notable positive contributor. Allocations to European high yield financials also helped. In UK credit, exposure to high yield financials and industrials was additive. Positioning in hard currency emerging market debt was effective with contributions from Latin America, Africa, the Middle East and to a lesser extent Europe while allocations to Asia detracted. Exposure to US securitised credit was rewarded with the biggest contribution from non-agency commercial mortgage-backed securities. Allocations to non-agency collateralised mortgage obligations, credit risk transfers and collateralised loan obligations were also positive. Elsewhere, exposure to shorter term bank loans contributed. In currencies, UK sterling had a notable negative impact. All the underlying managers recorded a positive return over the quarter.

Absolute Return Bond Strategy Fund:

The sub-fund aims to achieve a total return (the combination of income and capital growth), the equivalent of the 3-month **GBP SONIA plus 2%,** over any five-year period, after all costs and charges have been taken.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	1.1	5.0	6.5	4.5	4.5
Net	1.0	4.7	6.3	4.3	4.2
3 Month GBP SONIA + 2%	1.5	6.5	6.9	5.2	5.1
Excess returns (gross)	-0.4	-1.5	-0.4	-0.7	-0.6
Excess returns (Net)	-0.5	-1.8	-0.7	-0.9	-0.9

Inception Date: COB 30th September 2020
Source: Northern Trust as of 31 December 2025

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund recorded a positive return.

Exposure to convertible bonds was rewarded. Convertible bonds benefitted from their equity market sensitivity as global equities climbed higher, supported by healthy corporate earnings and accommodative monetary policy. In credit markets, tight spreads moved broadly sideways and the credit curve flattened further. This followed strong third-quarter performance. Exposure to European asset-backed securities remained positive within this environment. Exposure to high yield credit was a further contributor as it generally outperformed investment grade credit. Global macro specialist Wellington recorded a negative return to weigh on further performance. Wellington suffered from its preference for Portuguese duration at the expense of French duration. A tactical overweight to the Japanese yen was also unrewarded.

Sterling Credit Fund:

The sub-fund has an expected outperformance of **0.65%** in excess of the sub-fund benchmark net of fees, over the longer term.

	Q4 2025	1 Year	3 Year	5 Year	Since Inception
Gross	2.5	7.2	6.4	-0.3	0.3
Net	2.5	7.0	6.3	-0.4	0.2
ICE Bank of America Merrill Lynch Euro-Sterling Index	2.5	6.8	5.7	-1.2	-0.6
Excess returns (gross)	0.0	0.4	0.7	0.9	0.9
Excess returns (Net)	0.0	0.2	0.6	0.8	0.8

Inception Date: COB 27th July 2020
Source: Northern Trust as of 31 December 2025
Benchmark: ICE Bank of America Merrill Lynch Euro-Sterling Index.

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The portfolio marginally underperformed the index over the quarter. Term structure positioning held back returns, with unfavourable positioning across the sterling yield curve weighing on returns. In addition, the long position in Japanese yen duration detracted following a rate hike by the Bank of Japan, which pushed yields higher, while unfavourable positioning via quant model also weighed on returns. These losses were partially offset by the short position in euro duration, and favourable position across the US treasury curve which added value.

Credit positioning resulted in broadly flat relative returns, as modest contributions from beta, allocation and security selection largely offset one another. No single sector generated a material contribution to relative performance. At the issuer level, overweight positions in New York Life Insurance and BMW were modest contributors, while the underweight positions in E.ON and HSBC weighed slightly on returns. Fidelity's structural underweight in selected quasi/supranational issuers also weighed on returns.