Avon Pension Fund Performance Report

Quarter ending 31 December 2025

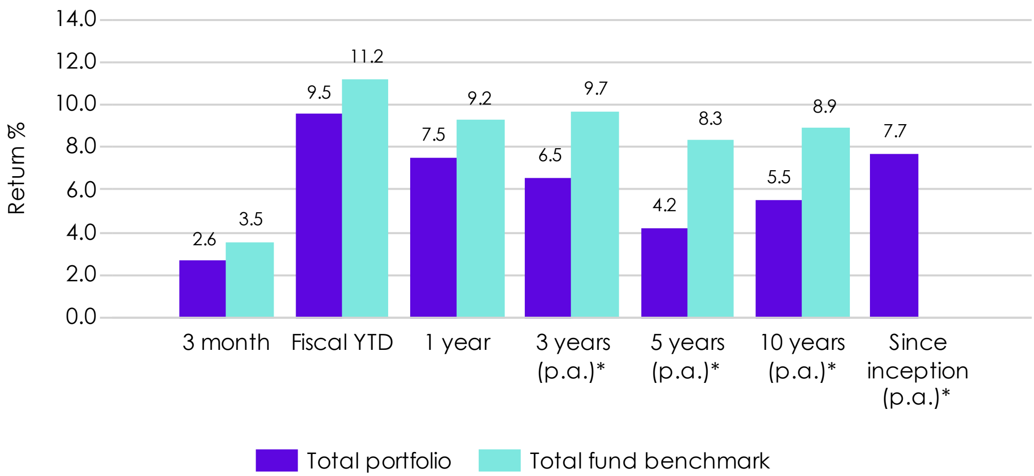
Avon Pension Fund

Brunel Pension Partnership

Contents

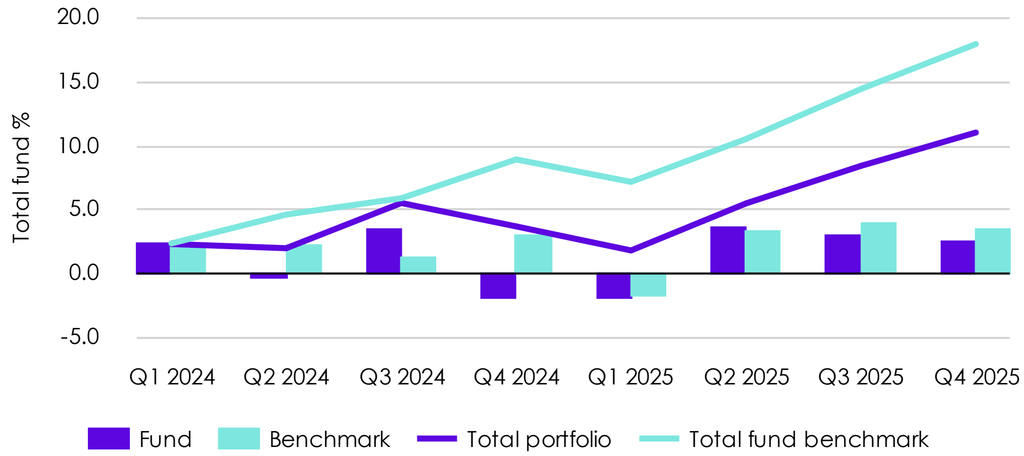
Pension Fund performance

Performance (annualised)



Source: State Street Global Services
*per annum. Net of all fees.

Quarterly performance



Source: State Street Global Services. Net of all fees.

Key events

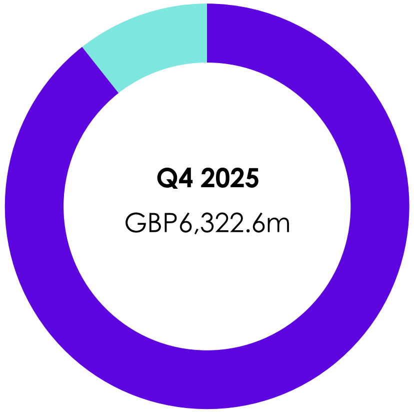
Over the fourth quarter of 2025, global equity markets delivered modest but steady gains, with several equity indices finishing the year near record or multi-year highs, capping a strong period for risk assets overall.

There was marked divergence across global government bond markets during the final quarter of 2025. Despite volatility, UK gilts were the notable outperformer as November's Budget was well received by markets. Returns were more muted in US Treasuries. The Federal Open Market Committee cut interest rates by 25 basis points when they met in October and again in December.

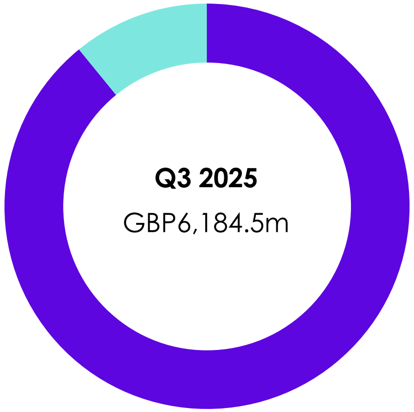
Global mergers and acquisitions (M&A) exceeded $4 trillion in 2025, the second-best year ever for transactions (bettered only by 2021), driven by the highest ever number of mega-deals (those>$10bn). Deal value increased 50% from 2024.

Asset summary

Assets transitioned to Brunel



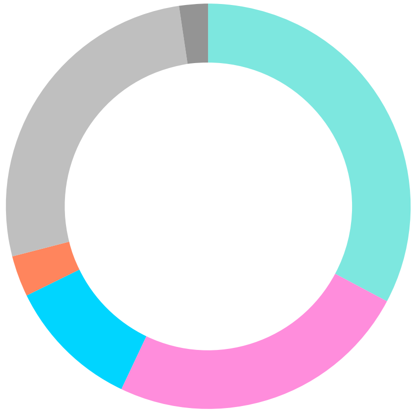
Transitioned	89.42%
Non-pooled assets	10.58%



Transitioned	89.11%
Non-pooled assets	10.89%

Source: State Street Global Services. Net of all fees.

Asset allocation breakdown



Key:

Equities	32.77%
Private markets	24.31%
Fixed income	10.67%
Property	3.28%
Other	26.66%
Cash	2.31%

Source: State Street Global Services. Net of all fees.
Data includes non-pooled assets

Overview of assets

Detailed asset allocation

Equities	£2,071.89m	32.77%
Global High Alpha Equities	£820.44m	12.98%
Global Sustainable Equities	£718.80m	11.37%
PAB Passive Global Equities	£532.20m	8.42%
Non-pooled Assets	£0.45m	0.01%
Fixed income	**£674.33m**	**10.67%**
Multi-Asset Credit	£674.33m	10.67%

Private markets (incl. property)	£1,744.58m	27.59%
Secured Income Cycle 1	£286.17m	4.53%
Secured Income Cycle 3	£227.94m	3.61%
Private Debt Cycle 2	£194.38m	3.07%
UK Property	£193.99m	3.07%
Infrastructure Cycle 1	£121.24m	1.92%
Secured Income Cycle 2	£96.48m	1.53%
Infrastructure (Renewables) Cycle 2	£92.03m	1.46%
Private Debt Cycle 3	£85.18m	1.35%
Infrastructure Cycle 3	£30.88m	0.49%
Non-pooled Assets	£416.30m	6.58%
Other	**£1,685.53m**	**26.66%**
Blackrock Risk Management	£1,544.09m	24.42%
Diversifying Returns Fund	£0.00m	0.00%
Non-pooled Assets	£141.44m	2.24%

Cash not included

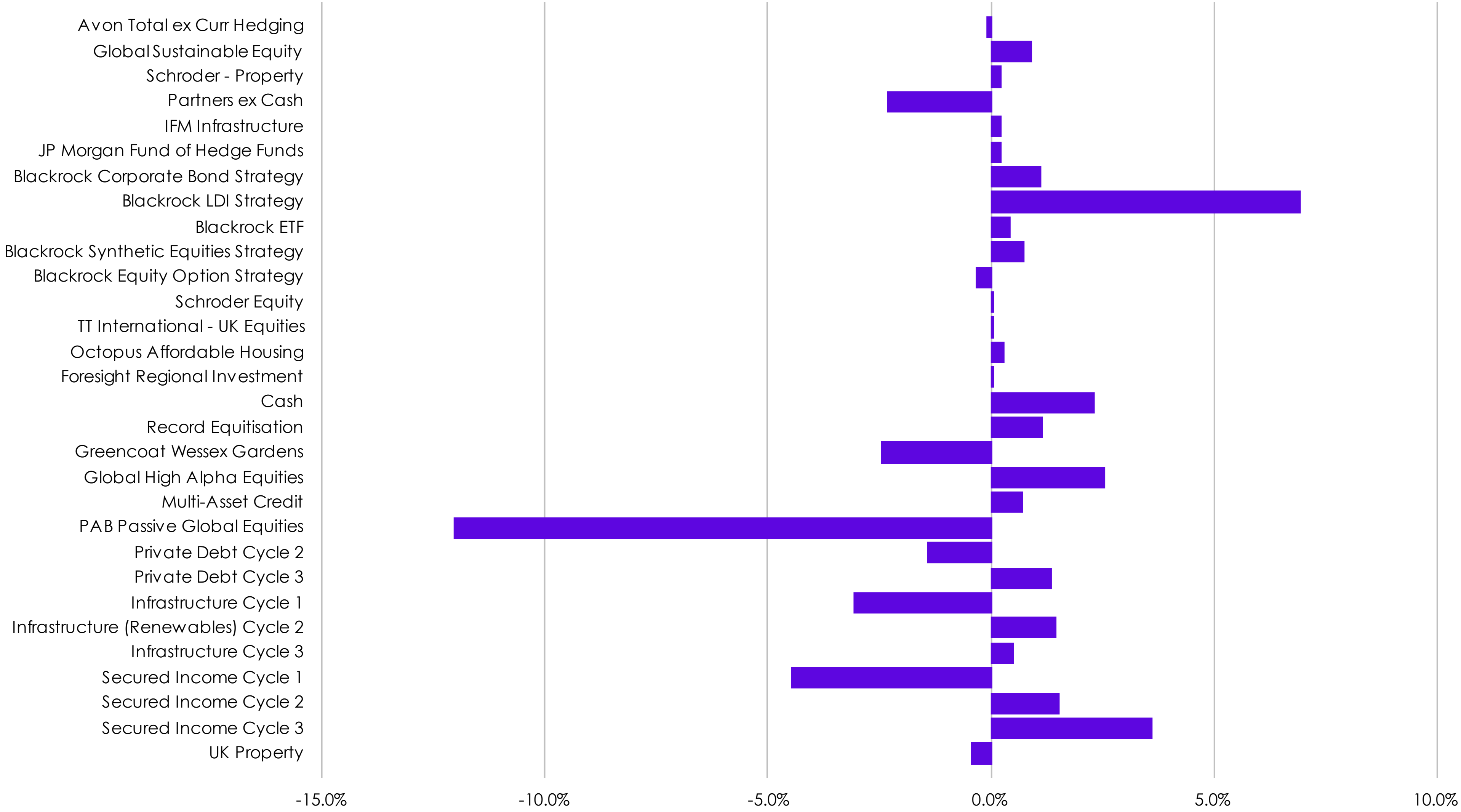
Overview of assets

Top 10 Equity Holdings at Pension Fund

ISIN	Security Name	Sector	Sub-sector	Country	Market Value (£)	% of Pension fund	ESG Score
US5949181045	MICROSOFT CORP	Information Technology	Systems Software	UNITED STATES	81,808,957.86	1.29%	14.36
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	74,377,728.77	1.18%	12.45
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	72,075,022.30	1.14%	19.99
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	45,933,832.56	0.73%	15.22
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	45,692,356.84	0.72%	16.64
US8740391003	TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	Semiconductors	TAIWAN	42,160,763.83	0.67%	13.33
US11135F1012	BROADCOM INC	Information Technology	Semiconductors	UNITED STATES	36,618,736.77	0.58%	19.98
US88160R1014	TESLA INC	Consumer Discretionary	Automobile Manufacturers	UNITED STATES	29,822,188.75	0.47%	18.84
NL0010273215	ASML HOLDING NV	Information Technology	Semiconductor Materials &	NETHERLANDS	25,951,023.35	0.41%	8.93
US92826C8394	VISA INC-CLASS A SHARES	Financials	Transaction & Payment	UNITED STATES	25,588,718.18	0.40%	13.86

Table excludes cash and non-pooled assets. This is an estimated aggregate position using Brunel Portfolios.

Strategic asset allocation



Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Avon Total ex Curr Hedging	**6,293,710**	**99.9%**	**100.00%**	**-0.1%**	**2.5%**	**2.5%**
Global Sustainable Equity	718,803	11.4%	10.50%	0.9%	1.4%	0.2%
Schroder - Property	13,554	0.2%	-	0.2%	1.0%	0.0%
Partners ex Cash	75,304	1.2%	3.50%	-2.3%	-3.1%	-0.0%
IFM Infrastructure	265,299	4.2%	4.00%	0.2%	3.3%	0.1%
JP Morgan Fund of Hedge Funds	14,585	0.2%	-	0.2%	-4.5%	-0.0%
Blackrock Corporate Bond Strategy	195,768	3.1%	2.00%	1.1%	3.2%	0.1%
Blackrock LDI Strategy	1,316,390	20.9%	14.00%	6.9%	8.7%	1.6%
Blackrock ETF	26,544	0.4%	-	0.4%	2.5%	0.0%
Blackrock Synthetic Equities Strategy	46,962	0.7%	-	0.7%	-17.6%	-0.2%
Blackrock Equity Option Strategy	-20,080	-0.3%	-	-0.3%	-23.8%	-0.1%
Schroder Equity	129	0.0%	-	0.0%	0.0%	0.0%
TT International - UK Equities	323	0.0%	-	0.0%	0.3%	0.0%
Octopus Affordable Housing	18,981	0.3%	-	0.3%	0.8%	0.0%
Foresight Regional Investment	8,661	0.1%	0.14%	-	-6.1%	-0.0%
Cash	146,218	2.3%	-	2.3%	0.4%	0.0%

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Record Equitisation	71,474	1.1%	-	1.1%	6.5%	0.1%
Greencoat Wessex Gardens	34,505	0.5%	3.00%	-2.5%	2.5%	0.0%
Global High Alpha Equities	820,435	13.0%	10.50%	2.5%	1.1%	0.2%
Multi-Asset Credit	674,333	10.7%	10.00%	0.7%	1.5%	0.1%
PAB Passive Global Equities	532,202	8.5%	20.50%	-12.0%	4.2%	0.4%
Private Debt Cycle 2	194,376	3.1%	4.50%	-1.4%	N/M	N/M
Private Debt Cycle 3	85,175	1.4%	-	1.4%	N/M	N/M
Infrastructure Cycle 1	121,240	1.9%	5.00%	-3.1%	N/M	N/M
Infrastructure (Renewables) Cycle 2	92,026	1.5%	-	1.5%	N/M	N/M
Infrastructure Cycle 3	30,880	0.5%	-	0.5%	N/M	N/M
Secured Income Cycle 1	286,165	4.5%	9.00%	-4.5%	N/M	N/M
Secured Income Cycle 2	96,479	1.5%	-	1.5%	N/M	N/M
Secured Income Cycle 3	227,942	3.6%	-	3.6%	N/M	N/M
UK Property	193,992	3.1%	3.50%	-0.4%	N/M	N/M

Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q4	2025 Q3	2025 Q4	2025 Q3	2025 Q4
Global High Alpha Equities	**107**	**91**	**1.2**	**1.1**	**1.0**	**1.6**
MSCI World*	176	161	3.1	3.0	7.3	7.1
Global Sustainable Equities	**196**	**200**	**1.2**	**1.3**	**6.3**	**6.1**
MSCI ACWI*	211	190	3.1	3.0	7.1	7.1
PAB Passive Global Equities	**145**	**115**	**0.9**	**0.7**	**3.7**	**3.7**
FTSE Dev World TR UKPD*	182	165	3.1	3.0	7.6	7.4

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: S&P. Changes between periods may reflect improved data quality and coverage.

Stewardship reporting links

Engagement records
www.brunelpensionpartnership.org/stewardship/engagement-records/
Holdings records
www.brunelpensionpartnership.org/stewardship/holdings-records/
Voting records
www.brunelpensionpartnership.org/stewardship/voting-records/

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Equities				
Global High Alpha Equities	13.7%	11.4%	17.3%	9.9%
Global Sustainable Equities	8.8%	10.8%	16.8%	9.7%
PAB Passive Global Equities	17.2%	10.8%	17.3%	10.8%
Fixed income				
Multi-Asset Credit	9.9%	3.3%	8.9%	0.2%
Other				
Diversifying Returns Fund	6.4%	3.5%	7.8%	0.2%
Private markets (incl. property)				
Private Debt Cycle 2	8.1%	12.0%	8.9%	0.2%
Private Debt Cycle 3	9.9%	-	8.9%	-
Infrastructure Cycle 1	5.6%	3.6%	3.3%	1.5%
Infrastructure (Renewables) Cycle 2	1.3%	2.4%	3.3%	1.5%
Infrastructure Cycle 3	6.1%	4.7%	3.3%	1.5%
Secured Income Cycle 1	0.8%	16.7%	3.3%	1.5%
Secured Income Cycle 2	1.9%	5.9%	3.3%	1.5%

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Private markets (incl. property)				
UK Property	2.0%	1.7%	2.9%	2.2%

Risk and return summary

Non-pooled manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Avon Total ex Curr Hedging	5.6%	7.8%	9.7%	5.6%
Avon Total ex Hedging ex LDI	6.8%	6.2%	9.7%	5.6%
Blackrock Equity Option Strategy	27.2%	-	-	-
Blackrock ETF	7.3%	7.7%	0.0%	-
Cash	2.5%	1.2%	4.6%	0.2%
General Cash	1.9%	-	-	-
IFM Infrastructure	7.5%	3.8%	9.9%	0.2%
JP Morgan Fund of Hedge Funds	3.6%	29.4%	8.9%	0.2%
Partners ex Cash	-18.7%	7.2%	8.9%	0.2%
Record Currency	-100.0%	-	-	-
Record Equitisation	12.4%	8.9%	13.4%	9.0%
Schroder - Property	0.7%	11.7%	2.9%	2.2%
Schroder Equity	0.5%	3.5%	16.8%	9.7%
TT International - UK Equities	0.6%	3.2%	13.6%	9.0%
Avon Pension Fund	6.5%	8.1%	9.7%	5.6%

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Equities (32.76%)			**2,071.44**									
Global High Alpha Equities	MSCI World	+2-3%	820.44	1.1%	-2.2%	7.4%	-5.8%	13.7%	-3.6%	12.1%	-0.9%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	718.80	1.4%	-2.1%	5.6%	-8.8%	8.8%	-8.0%	7.0%	-6.2%	30 Sep 2020
PAB Passive Global Equities	FTSE Dev World PAB	Match	532.20	4.2%	-	11.0%	-0.1%	17.2%	-0.1%	10.5%	-0.1%	29 Oct 2021
Fixed income (10.67%)			**674.33**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	674.33	1.5%	-0.5%	8.3%	-0.2%	9.9%	1.0%	4.6%	-3.0%	02 Jun 2021
Private markets (incl. property) (21.01%)			**1,328.27**									
Private Debt Cycle 2	SONIA	+4%	194.38	N/M	N/M	9.0%	0.6%	8.1%	-0.8%	8.5%	0.7%	17 Sep 2021
Private Debt Cycle 3	SONIA	+4%	85.18	N/M	N/M	8.9%	0.4%	9.9%	1.0%	9.7%	0.9%	20 Dec 2022
Infrastructure Cycle 1	CPI	+4%	121.24	N/M	N/M	8.5%	5.2%	5.6%	2.3%	7.0%	3.1%	02 Jan 2019
Infrastructure (Renewables) Cycle 2	CPI	+4%	92.03	N/M	N/M	0.4%	-2.9%	1.3%	-1.9%	4.1%	-0.8%	12 Oct 2020
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	30.88	N/M	N/M	10.1%	6.8%	6.1%	2.8%	5.8%	1.9%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	286.17	N/M	N/M	5.1%	1.8%	0.8%	-2.5%	0.4%	-3.5%	15 Jan 2019
Secured Income Cycle 2	CPI	+2%	96.48	N/M	N/M	1.2%	-2.2%	1.9%	-1.3%	1.5%	-3.9%	01 Mar 2021
Secured Income Cycle 3	CPI	+2%	227.94	N/M	N/M	1.4%	-1.9%	-	-	-	-2.5%	01 Jun 2023
UK Property	MSCI/AREF UK	+0.5%	193.99	N/M	N/M	4.6%	-0.7%	2.0%	-0.9%	3.0%	0.2%	04 Jan 2021

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Other (0.00%)			-									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	-	0.5%	-1.3%	8.7%	1.3%	6.4%	-1.5%	4.3%	-1.6%	27 Jul 2020
Total Brunel assets (excl. cash) (64.44%)			**4,074.05**									

*Since initial investment

+ Excess to benchmark, may not include outperformance

Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Portfolio overview

Non-pooled assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Equities (0.01%)	0.45									
Schroder Equity	0.13	-	-3.4%	5.6%	-8.8%	0.5%	-16.2%	0.9%	-10.6%	01 Apr 2011
TT International - UK Equities	0.32	0.3%	-6.1%	5.0%	-19.0%	0.6%	-13.0%	3.7%	-2.5%	01 Jul 2007
Private markets (incl. property) (6.58%)	416.30									
Schroder - Property	13.55	1.0%	-	-5.9%	-11.1%	0.7%	-2.2%	7.1%	1.5%	01 Jan 2009
Partners ex Cash	75.30	-3.1%	-5.1%	-11.0%	-19.5%	-18.7%	-27.6%	0.5%	-6.9%	01 Sep 2009
IFM Infrastructure	265.30	3.3%	1.0%	9.4%	-0.1%	7.5%	-2.4%	10.9%	4.4%	01 Apr 2016
Octopus Affordable Housing	18.98	0.8%	-1.0%	-	-	-	-	7.0%	0.9%	03 Mar 2025
Foresight Regional Investment	8.66	-6.1%	-7.9%	-	-	-	-	-30.7%	-36.2%	01 Apr 2025
Greencoat Wessex Gardens	34.51	2.5%	0.7%	-1.6%	-9.0%	-	-	2.4%	-5.5%	12 Feb 2024
Other (4.55%)	287.65									
JP Morgan Fund of Hedge Funds	14.59	-4.5%	-6.5%	-4.5%	-13.0%	3.6%	-5.3%	6.5%	1.1%	01 Jul 2015
Blackrock ETF	26.54	2.5%	2.5%	8.8%	8.8%	7.3%	7.3%	5.9%	5.9%	08 Mar 2019
Cash	146.22	0.4%	-0.5%	1.7%	-2.5%	2.5%	-2.1%	2.8%	0.8%	01 Dec 2017
Record Equitisation	71.47	6.5%	0.1%	25.0%	-0.1%	12.4%	-1.0%	7.0%	-0.4%	01 Apr 2012

Portfolio overview

Non-pooled assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Other (4.55%)			**287.65**							
Record Currency	28.83	-1,268.9%	-1,268.9%	-100.0%	-100.0%	-100.0%	-100.0%	-	-	01 Mar 2016
Total non-pooled assets (excl. cash) (11.14%)	**704.41**									

*Since initial investment
+ Excess to benchmark, may not include outperformance

Chief Investment Officer commentary

Over the fourth quarter of 2025, global equity markets delivered modest but steady gains, with several equity indices finishing the year near record or multi-year highs, capping a strong period for risk assets overall. Global markets overall outperformed US equities, with a broad-based advance across regions.

In the US, the S&P 500 Index returned 2.8% over the quarter in sterling terms. That quarterly gain contributed to the S&P returning 17.9% for the year. However, the weakness of the dollar in 2025 saw the S&P rise by 9.8% in sterling terms and only 3.9% in euro terms. Market leadership during the quarter remained concentrated in the Communication Services and Information Technology sectors, but there were some signs of market broadening. Several cyclical and defensive sectors—including Industrials, Financials, Health Care and Utilities—posted strong, double-digit gains for the year. The market reacted positively to the Fed's decision to continue the interest rate-cutting cycle in December, with indications that more cuts could be coming in 2026, especially if inflation continues to fall.

The FTSE Developed Europe ex UK index returned 6.5%, Major benchmarks finished the period near multi-year highs, supported by broad-based equity strength across the region. Investor confidence was bolstered by the continued Fed rate cuts. Financials performed particularly well, benefiting from lower interest rates that improved lending prospects and asset quality, while the relatively stable cash flows and dependable dividends of Health Care and Utilities stocks attracted interest from more cautious investors. At the same time, enthusiasm for Growth and technology stocks waned somewhat amid concerns about elevated valuations and sector-specific risks.

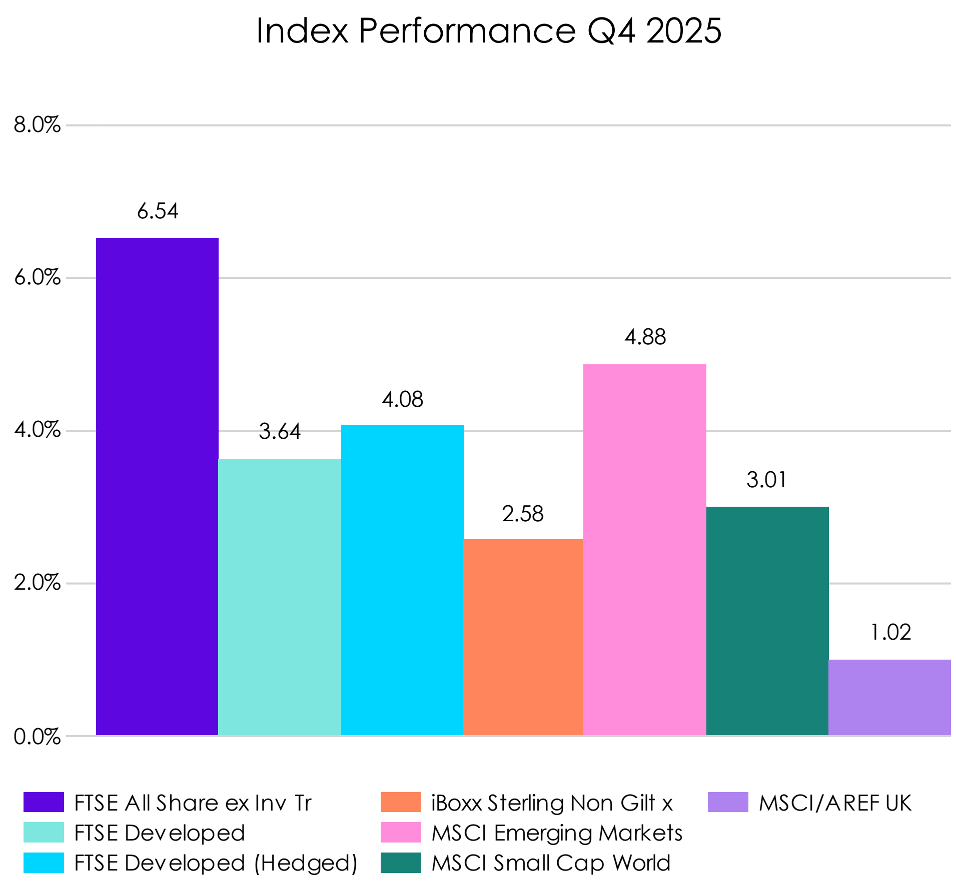
UK equities rose, with the FTSE All-Share up 6.4%, ending 2025 at close to multi-year highs. Performance was led by large, internationally-focused companies, particularly in financial, mining, defence and other commodity-linked sectors. These areas benefited from strong global demand, elevated commodity prices, and a slightly weaker pound. In contrast, companies more exposed to the domestic UK economy lagged, as consumer spending remained under pressure and cost challenges persisted.

Japanese, Asian, and broader Emerging Markets all enjoyed steady gains over the quarter in sterling terms. In Japan, The Bank of Japan raised rates in December and signalled possible further hikes in 2026. That added to optimism about domestic growth and supported share prices. Asian markets and Emerging Markets both returned over 4% in sterling terms. South Korea was a standout contributor, supported by its heavy concentration in globally competitive chipmakers, while performance across Chinese and broader regional technology stocks was more mixed, but remained influential in shaping overall sentiment.

There was marked divergence across global government bond markets during the final quarter of 2025. Despite volatility, UK gilts were the notable outperformer. November's Budget was well received by markets and the Bank of England cut the base rate by 25 basis points at its December meeting. Returns were more muted in US Treasuries. The Federal Open Market Committee cut interest rates by 25 basis points when they met in October and again in December, taking the federal funds rate to 3.5-3.75%. Total returns were positive across Investment Grade credit markets. and Investment Grade outperformed government bonds. After initially widening on concerns about US regional bank exposures to non-bank financial institutions (NBFI), US credit spreads later compressed on improved market sentiment, leaving excess returns over government bonds flat over the period. Euro- and sterling-denominated Investment Grade outperformed government bonds.

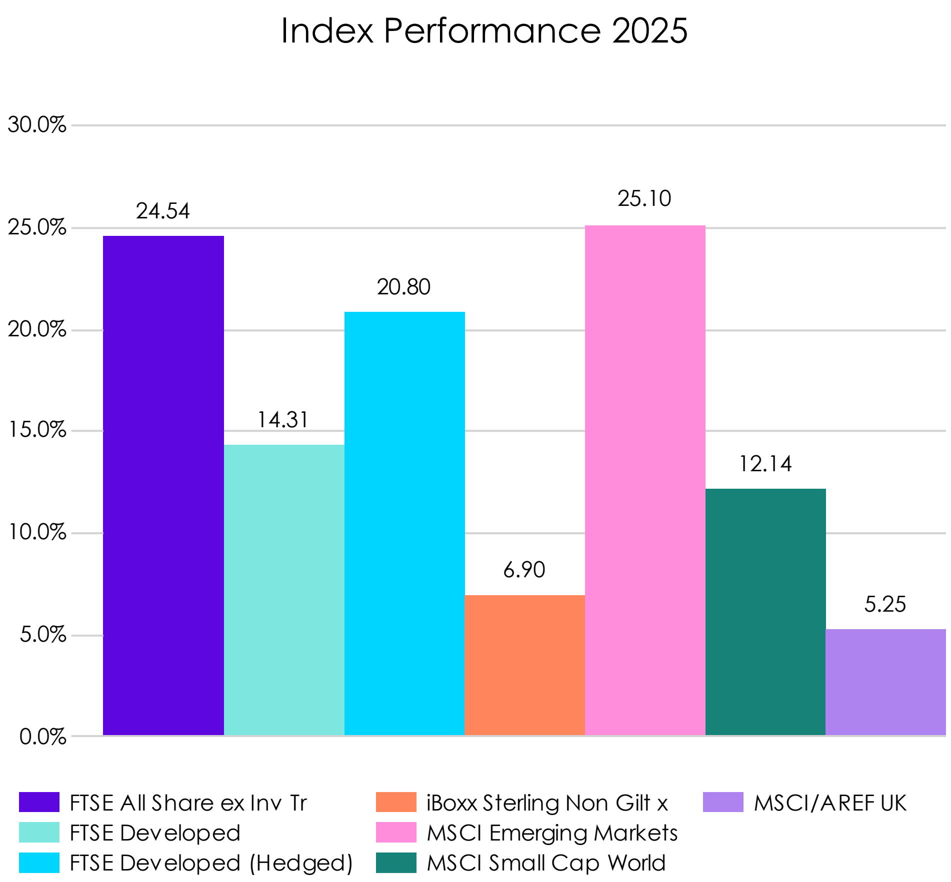
Global mergers and acquisitions (M&A) exceeded $4 trillion in 2025, the second-best year ever for transactions (bettered only by 2021), driven by the highest ever number of mega-deals (those >$10bn). Deal value increased 50% from 2024. In total, 68 mega deals were announced, potentially reshaping entire sectors, from Industrials to Communication Services. The resurgence in markets and animal spirits was marked, given the political and economic backdrop. It was accompanied by a resurgence in fundraising activity, making 2025 the leading year for secondary private market transactions and for the number of private continuation vehicle transactions. There were, however, some signs of credit stress increasing, with two high profile examples in First Brands and Tricolor, both of which appear to have involved cases of fraud. The US administration continued its attack on renewable energy, particularly offshore wind. A renewed broadside just before Christmas affected projects in the very late stages of construction, and fully permitted.

Chief Investment Officer commentary



Source: State Street

Chief Investment Officer commentary



Source: State Street

Global High Alpha Equities

Launch date
6 December 2019

Investment strategy & key drivers
High conviction, unconstrained global equity portfolio

Liquidity
Managed

Benchmark
MSCI World

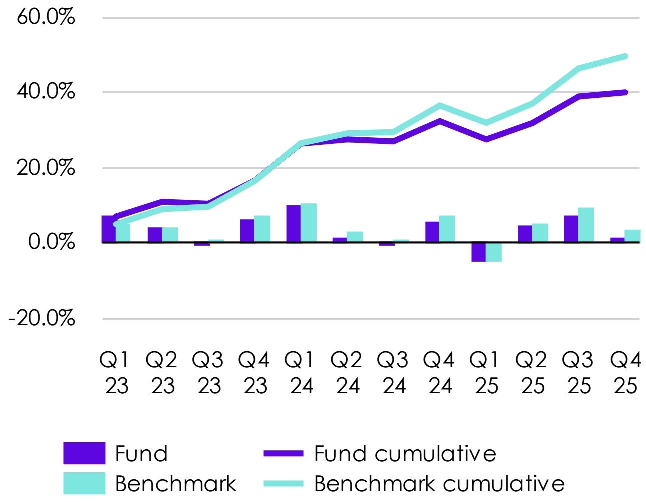
Outperformance target
+2-3%

Total fund value
£4,870m

Risk profile
High

Avon's Holding:
GBP820m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.1	7.4	13.7	12.5
MSCI World	3.3	13.2	17.3	13.4
Excess	-2.2	-5.8	-3.6	-0.9

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

Global developed equities (proxied by the MSCI World Index) rose 3.3% in GBP terms in Q4, extending strong risk asset performance as major indices approached record highs.

Sentiment was buoyed by easing inflation, resilient earnings, and expectations of dovish policy in 2026. Leadership broadened modestly beyond mega-cap tech, with Europe and Asia outperforming the US, although concentration risk persisted. Health Care rebounded, Materials benefited from precious metals strength, while Technology and Communication Services saw selective gains favouring cash-funded AI capex, with Alphabet rewarded for AI monetisation, while Meta, Microsoft, and Oracle faced margin pressure from heavy AI infrastructure spending. Consumer Discretionary lagged amid cautious consumer trends and Value outperformed Growth as investors rotated to cyclicals and defensives.

The portfolio returned 1.1%, underperforming the index by 2.2%. Sector attribution showed stock selection as the main detractor, notably in Financials and Industrials. Within Industrials, Automatic Data Processing and Wolters Kluwer weighed on relative returns; ADP faced margin contraction and lowered its 2026 revenue outlook, while Wolters Kluwer cited currency headwinds and restructuring costs. In Financials, Mastercard and 3i Group were significant negative contributors. Selection was strongest in the Materials sector, supported by Steel Dynamics, which benefitted from anticipated US onshoring demand. Alphabet and TSMC were the largest positive contributors, with Alphabet boosted by AI integration and a chip supply deal with Anthropic. Conversely, AutoZone, Oracle and Microsoft were the weakest performers; AutoZone's sharp decline followed an earnings and margin miss after trading at record highs earlier in the year.

Harris outperformed the market, benefitting from exposure to Value as a style, while other managers underperformed the benchmark index to varying degrees. Baillie Gifford suffered a weak relative performance over the quarter, as large positions in Roblox and Sea Limited performed poorly.

During the quarter, Alliance Bernstein exited the portfolio and was replaced by PineBridge.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
ALPHABET INC	**5.48**	**4.05**	**44,953,625**
MICROSOFT CORP	**4.94**	**4.12**	**40,489,718**
TAIWAN SEMICONDUCTOR	**4.07**	**-**	**33,412,150**
NVIDIA CORP	**4.00**	**5.47**	**32,819,714**
AMAZON.COM INC	**2.51**	**2.67**	**20,607,779**

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	**4.07**	**-**
MOODY'S CORP	**1.60**	**0.10**
ALPHABET INC	**5.48**	**4.05**
CME GROUP INC	**1.39**	**0.12**
STEEL DYNAMICS INC	**1.20**	**0.03**

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	**1.01**	**4.87**
TESLA INC	**-**	**1.53**
NVIDIA CORP	**4.00**	**5.47**
META PLATFORMS INC	**0.61**	**1.73**
JPMORGAN CHASE & CO	**-**	**1.07**

Largest contributors to ESG risk

	ESG risk score* Q3 2025	ESG risk score* Q4 2025
ALPHABET INC-CL A	**20.10**	**19.99**
MICROSOFT CORP	**13.43**	**14.36**
NVIDIA CORP	**12.45**	**12.45**
TAIWAN SEMICONDUCTOR-SP	**13.16**	**13.33**
AMAZON.COM INC	**18.37**	**16.64**

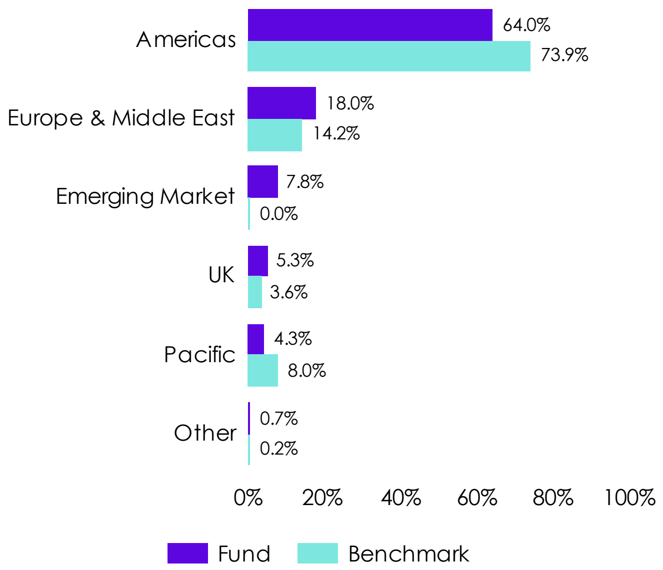
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

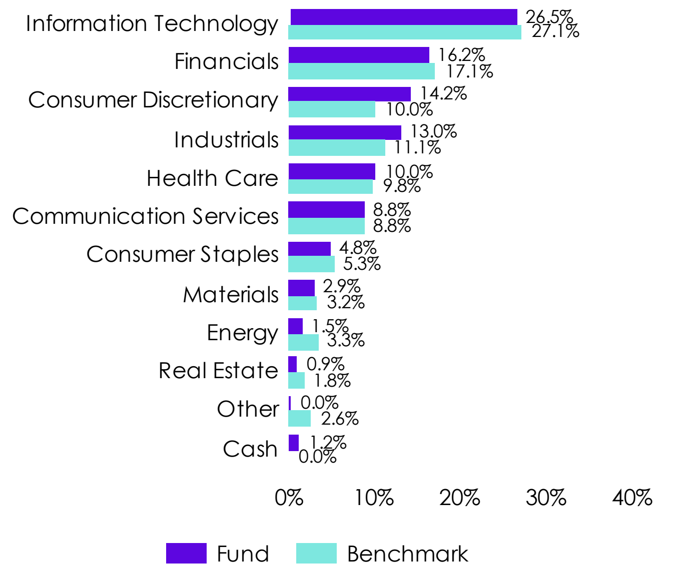
Portfolio	WACI 2023 Q4	WACI 2024 Q4	Total Extractive Exposure[1] 2025 Q3	Total Extractive Exposure[1] 2025 Q4	Extractive Industries (VOH)[2] 2025 Q3	Extractive Industries (VOH)[2] 2025 Q4
Global High Alpha	**107**	**91**	1.22	1.10	1.05	1.65
MSCI World*	**176**	**161**	3.09	2.98	7.26	7.14

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: S&P. Changes between periods may reflect improved data quality and coverage.

Regional exposure



Sector exposure



Global Sustainable Equities

Launch date
20 October 2020

Investment strategy & key drivers
Global equity exposure concentrating on ESG factors

Liquidity
Managed

Benchmark
MSCI ACWI

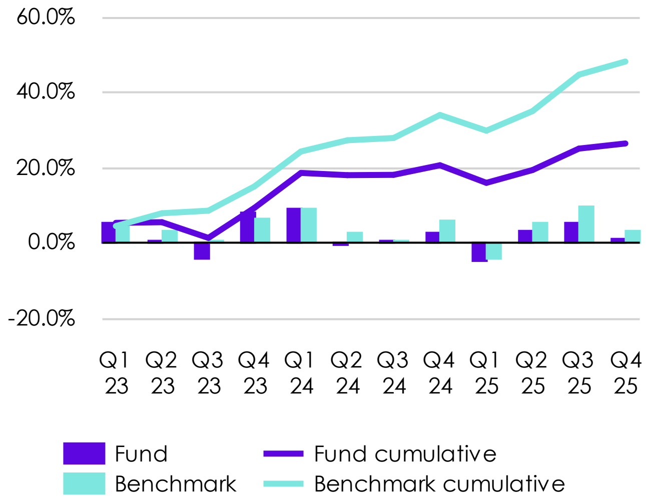
Outperformance target
+2%

Total fund value
£4,050m

Risk profile
High

Avon's Holding:
GBP719m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.4	5.6	8.8	6.7
MSCI ACWI	3.5	14.4	16.8	12.9
Excess	-2.1	-8.8	-8.0	-6.3

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The Sustainable Equities portfolio returned 1.4% during Q4 2025 as equities ended the year on a positive note; the MSCI ACWI returned 3.5% during the last quarter of 2025. The portfolio returned 5.6% for the year on a net-of-fees basis, however, this can be viewed as a relatively difficult year for sustainable and Quality investing, as the MSCI ACWI returned 14.4% over the same time period. As in previous quarters, we should stress that the MSCI ACWI does not look to achieve the same exposures as the Sustainable Equity portfolio and there is a philosophical mismatch between fund and benchmark.

We can evidence that philosophical mismatch when we look at the main drivers of market performance over 2025. The best performing sub-sector over the year was metals and mining, largely driven by the price of gold. It returned 61%. Whilst we do have a very small exposure to copper within the sub-sector, it is a part of the market that doesn't necessarily align itself to sustainable investing, or at least not in an overweight context. Other top-performing sub-sectors this year included aerospace and defence (42%) and banks (37%). There have been growing arguments around how the aerospace and defence sector aligns itself to sustainable investing, as the capacity of a country to defend itself involves an element of sustainability. However, it is rare to find a company that is purely focussed on defence. We acknowledge that rising defence spending will likely continue into the future as geopolitical tensions grow - and we do have exposure to companies that will benefit from this spending, albeit not to pure-play defence companies. Likewise, we also have some exposure to banks. However, banks as a sector is likewise difficult to overweight in a sustainability context.

We also saw the continued AI boom throughout 2025, where the usual big tech names contributed heavily to market return. Notably, Nvidia and Alphabet returned 29% and 55% respectively. As we have discussed in previous quarters, we do have exposure to these names, and some underlying managers have notable overweight positions. However, it is difficult to overweight in a multi-manager portfolio when we have a strong focus on risk management and diversification of our underlying managers. At the end of the year, the top ten names represent 25% of the MSCI ACWI, which contains 3,000 stocks. Such a level of concentration represents a significant challenge for multi-manager funds.

However, as we head into 2026, we see areas of opportunity for sustainable investing. Health Care has been a notable underperformer over the past few years and is a staple of the sustainable investment universe. It had a difficult start to the year due to US policy uncertainty. However, we started to see more clarity for the sector in the early parts of Q4 and it became the best-performing sector for the quarter, returning 10%. The fund has overweight positioning to the sector, and we hope that this momentum continues into 2026.

We have also started to see a little more divergence in the larger US tech companies and in how the market is assessing their approach to AI. Notably, Meta and Oracle, both of which showed a stronger focus on debt funding for data centres, fell 10% and 30% respectively. We will likely see continued volatility from this part of the market as competition expands.

Relative to peers, the portfolio falls close to the 60th percentile across all time periods. Whilst this remains behind the median, the lag is largely due to the more Quality/Defensive exposures within the portfolio, relative to peers. During periods of increased market volatility and risk, when investors seek stability, we should see this trend reverse. The MSCI ACWI sits in the top quartile across all time periods, notably on the 9th and 5th percentile for 3- and 5-year periods, making it a difficult benchmark for all sustainable strategies.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
TAIWAN SEMICONDUCTOR	3.52	1.31	25,334,372
NVIDIA CORP	3.21	4.87	23,106,441
BROADCOM INC	2.51	1.67	18,058,428
MICROSOFT CORP	2.48	3.67	17,843,506
WASTE MANAGEMENT INC	1.80	0.10	12,924,877

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	3.52	1.31
WASTE MANAGEMENT INC	1.80	0.10
ECOLAB INC	1.59	0.07
AGILENT TECHNOLOGIES INC	1.35	0.04
AMERICAN WATER WORKS CO INC	1.24	0.03

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	1.35	4.33
AMAZON.COM INC	-	2.38
ALPHABET INC	1.51	3.60
NVIDIA CORP	3.21	4.87
META PLATFORMS INC	-	1.54

Largest contributors to ESG risk

	ESG risk score* Q3 2025	ESG risk score* Q4 2025
BROADCOM INC	-	19.98
NVIDIA CORP	12.45	12.45
MICROSOFT CORP	13.43	14.36
SHOPIFY INC - CLASS A	24.40	24.40
ECOLAB INC	19.41	19.41

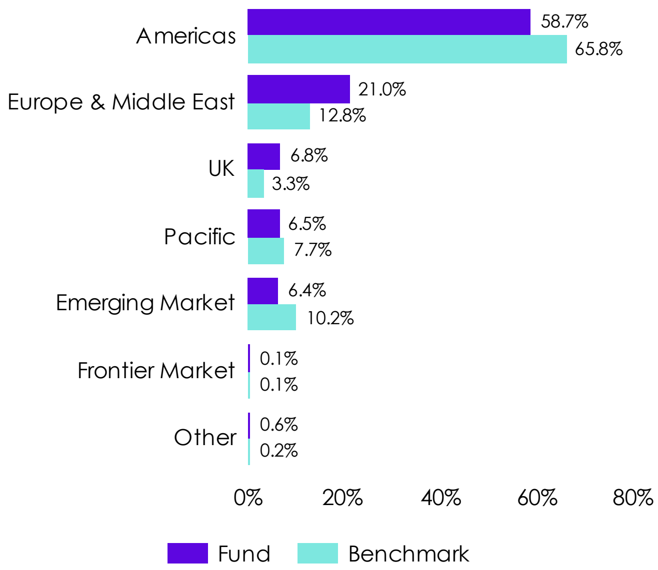
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

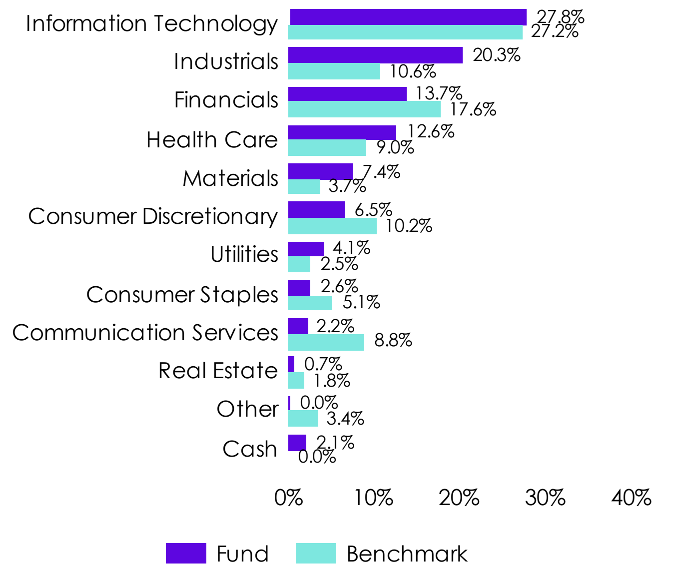
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q4	2025 Q3	2025 Q4	2025 Q3	2025 Q4
Global Sustainable	196	200	1.21	1.26	6.28	6.15
MSCI ACWI*	211	190	3.14	3.03	7.15	7.06

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: S&P. Changes between periods may reflect improved data quality and coverage.

Regional exposure



Sector exposure



Diversifying Returns Fund

Launch date
12 August 2020

Investment strategy & key drivers
Strategy utilising currencies, credit, rates and equities

Liquidity
Managed

Benchmark
SONIA +3%

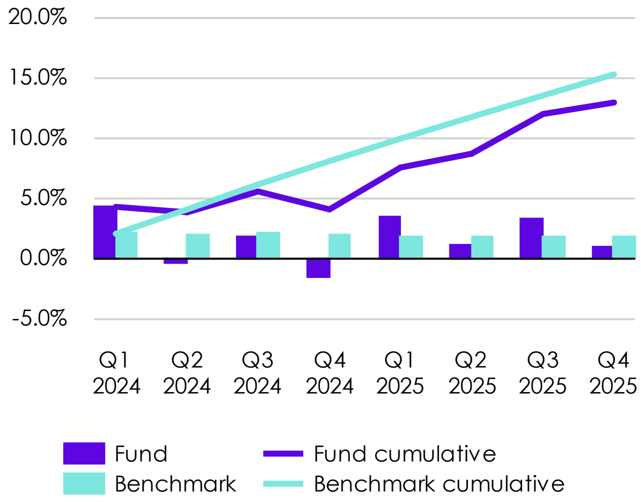
Outperformance target
0% to +2.0%

Total fund value
£464m

Risk profile
Moderate

Avon's Holding:
GBP-m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.0	9.1	6.5	4.5
SONIA +3%	1.7	7.4	7.8	6.0
Excess	-0.8	1.7	-1.3	-1.5

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The Diversifying Returns Fund returned 0.9% over the fourth quarter of 2025. SONIA + 3% returned 1.7%. The sterling-hedged 50/50 equity/bond index we monitor returned 2.3% over the quarter.

The fourth quarter of 2025 marked a continuation of the risk-on environment seen throughout the year, as global monetary policy shifted decisively toward easing, inflation cooled further, and corporate earnings stayed resilient. Equities performed well, though persistent geopolitical tensions and elevated valuations continued to present risks. Gold again delivered strong returns, supported by falling real yields and heavy central bank demand.

The portfolio captured attractive returns from allocations to equities and commodities, but fixed income detracted. Within alternative premia, JPM generated strong performance, but UBS had a weaker period. Overall, Q4 contributed positively to what was a strong year for the portfolio.

Fulcrum returned 1.1%, continuing to benefit from positive returns to equities and commodities within the Dynamic Asset Allocation sleeve. The Discretionary Macro sleeve made a small negative contribution, with thematic equities and fixed income soft over the period. Systematic macro added around 60bps to returns.

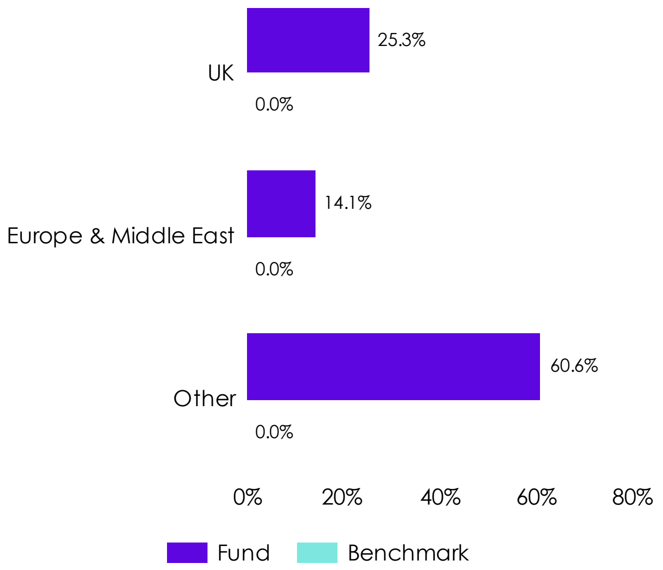
JPM returned 2.3%. The equity Value signal produced another strong quarter, though this was almost exactly offset by weak performance from the equity Quality signal, the weakest signal over the period. Strong positive contributions also came from FX carry and equity Relative Value Momentum, closing out a strong six-month period for the manager.

Lombard Odier returned 1.9%. Positive returns were generated across credit, equities and commodities, supported in particular by strong gold prices. The trend signal made a small positive contribution, while the carry signal detracted around 35bps.

UBS returned –3.9% for the period. The long position in JPY was responsible for the poor performance over the quarter as markets reacted to prime minister Sanae Takaichi taking office. Takaichi seeks to promote an agenda of loose fiscal policy and is an advocate for low interest rates. Short positions in NZD and GBP and a long position in CLP contributed positively to portfolio performance.

Diversifying Returns Fund

Regional exposure



Multi-Asset Credit

Launch date
7 July 2021

Investment strategy & key drivers
Exposure to higher yield bonds with moderate credit risk

Liquidity
Managed

Benchmark
SONIA +4%

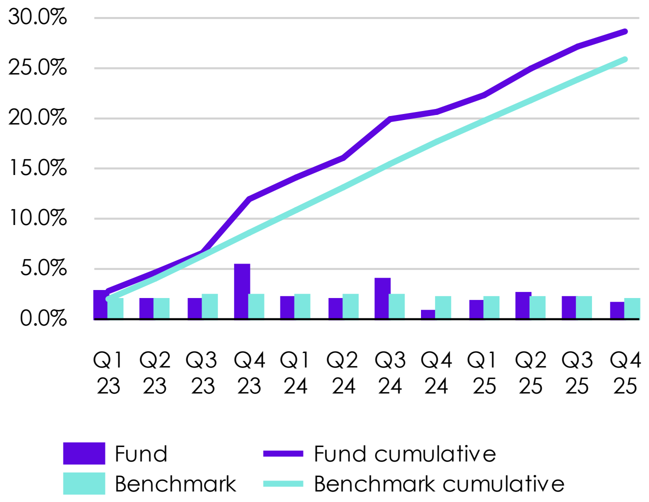
Outperformance target
0% to +1.0%

Total fund value
£3,567m

Risk profile
Moderate

Avon's Holding:
GBP674m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.5	8.3	9.9	4.6
SONIA +4%	2.0	8.4	8.9	7.6
Excess	-0.5	-0.2	1.0	-3.0
Bloomberg Global High Yield Index	2.3	10.0	11.0	4.0
Morningstar LSTA US Leveraged Loan Index	1.2	5.9	9.0	6.0

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

Leveraged finance made another positive return over the quarter to cap a strong 2025. Returns were driven by a combination of carry and minor spread compression. Interest rates were fairly stable across the maturity curve over the quarter. Some volatility was observed during the period. News around Artificial Intelligence and a US government shutdown were among the primary drivers.

With limited US government data available during the shutdown, key indicators for inflation and employment were either delayed or, in some cases, never reported. This proved to be a challenge for investors trying to predict the path for interest rates, creating market volatility. Ultimately, the Fed delivered interest rate cuts at both of this quarter's meetings and indicated one additional cut in 2026. US 2yr and 10yr yields ended the period at 3.5% and 4.2% respectively, little changed on the previous quarter.

Credit spreads fell over Q4 2025 but showed some signs of volatility. High yield spreads ended the period below 290bps, when measured by Bloomberg Global High Yield. The change in spreads was a modest -20bps.

Stable interest rates and modestly lower spreads resulted in a positive return for most asset classes. The only exception was convertible bonds, which were narrowly down on the quarter. The best-performing asset class in the quarter was Emerging Market sovereigns, which returned +3.6% in local currency terms.

The Multi-Asset Credit portfolio returned +1.5%; this was behind the primary target (SONIA+4%) and composite secondary benchmark, which returned +2.0% and +2.1%, respectively. The 2025 return for the portfolio was +8.3%, narrowly behind the primary target of +8.4%.

Spreads remained tight, moving near to all-time lows following more compression over the quarter. Investors should be mindful of the mark-to-market impact from widening, but should also take comfort with a yield-to-worst around 7%.

PAB Passive Global Equities

Launch date
1 November 2021

Investment strategy & key drivers
Passive global equity exposure aligned to Paris Agreement climate goals

Liquidity
High

Benchmark
FTSE Dev World PAB

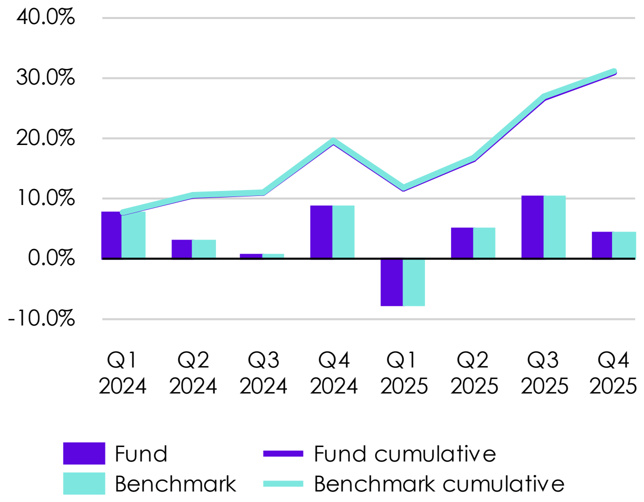
Outperformance target
Match

Total fund value
£2,759m

Risk profile
High

Avon's Holding:
GBP532m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.2	11.0	17.2	10.6
FTSE Dev World PAB	4.2	11.1	17.3	10.6
Excess	0.0	-0.1	-0.1	-0.0

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The FTSE Developed Paris Aligned index (PAB) product returned 4.2% over Q4 2025 and 11.0% for the 12-month period ending 31 December 2025. The PAB product closely replicated the performance of the benchmark index over these periods.

Global equities advanced through the final quarter despite early volatility tied to US political uncertainty. As the period progressed, improving corporate results and a more supportive monetary backdrop lifted sentiment. Geopolitical tensions and uneven Chinese data tempered optimism but did not derail broad gains. US markets benefited from firmer economic momentum, while UK equities were supported by easing inflation and a more accommodative policy stance, helping strengthen overall global risk appetite.

Technology was the best-performing sector in the index, followed by Health Care.

The largest single stock contribution to returns came from Alphabet. Alphabet returns were driven by a victory in an antitrust suit and an emerging consensus that Gemini is positioned as a leading AI tool. Apple also made strong contributions to index returns, as earnings beat investor expectations on the back of strong demand for the new iPhone range and calendar year estimates of double-digit sales growth.

The index's low exposure to Energy stocks had a marginal negative effect on portfolio performance versus the market-weighted index this quarter. The underweight to the sector was not a driver of relative return due to the fund sector performance being broadly in line with global developed equities as a whole. Within stock selection, the overweight position in First Solar, which performed well, was almost fully offset by the strong performance of Shell, Total Energies and Exxon, which were not held in the portfolio.

The product is designed to ensure that EVIC-derived carbon exposure decreases on the required trajectory at each rebalance date. This requirement was met at the last rebalance in September 2025. Between rebalance dates, the product's carbon exposure has the potential to drift ahead of, or behind, the target decarbonisation trajectory.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
ALPHABET INC	6.23	33,177,825
TESLA INC	5.60	29,822,187
APPLE INC	5.24	27,885,665
AMAZON.COM INC	4.71	25,084,581
MICROSOFT CORP	4.41	23,475,682

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q3 2025	Q4 2025
TESLA INC	18.84	18.84
APPLE INC	14.19	15.22
AMAZON.COM INC	18.37	16.64
ALPHABET INC-CL A	20.10	19.99
MICROSOFT CORP	13.43	14.36

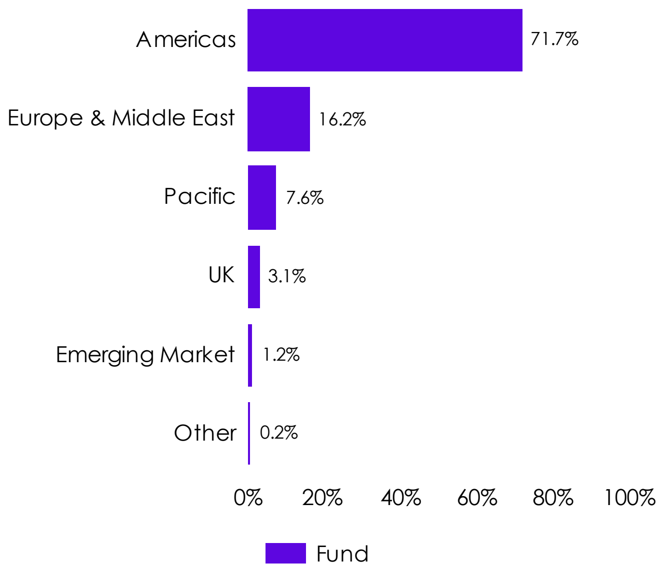
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

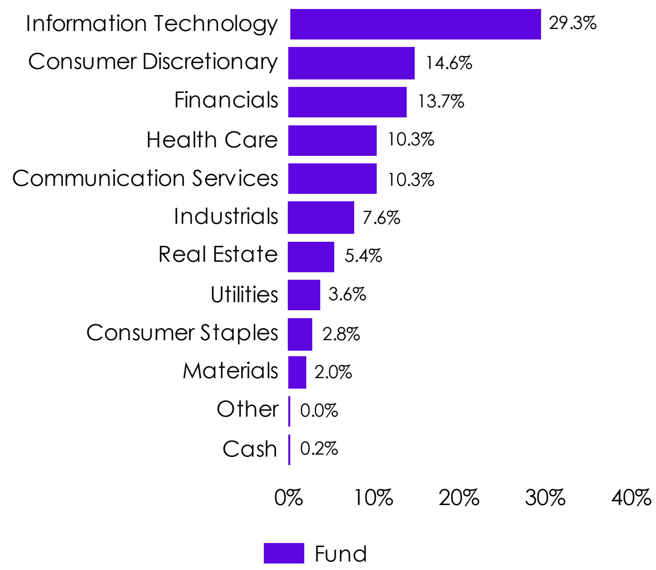
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q4	2025 Q3	2025 Q4	2025 Q3	2025 Q4
PAB Passive Global	145	115	0.91	0.73	3.67	3.74
FTSE Dev World TR	182	165	3.12	3.00	7.63	7.37

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: S&P. Changes between periods may reflect improved data quality and coverage.

Regional exposure



Sector exposure



Private Debt Cycle 2

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£245.00m

The fund is denominated in GBP

Commitment to Investment
£245.00m

Amount Called
£221.49m

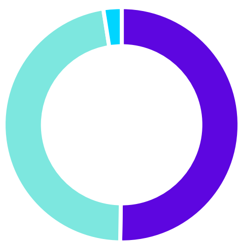
% called to date
90.40

Number of underlying funds
1

Avon's Holding:
GBP194.38m

Country

Invested in underlying investments

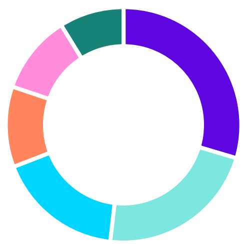


North America	50.2%
Europe	47.3%
Asia Pacific	2.5%
Other	-

Source: Aksia and underlying managers
Country data is lagged by two quarters

Sector

GICs level 1



Health Care	29.6%
Information Technology	22.2%
Industrials	17.4%
Financials	11.1%
Consumer Discretionary	10.8%
Other	8.9%

Source: Aksia and underlying managers
Sector data is lagged by two quarters

Performance commentary

Markets ended 2025 on a generally positive note as interest rates began to move lower and fears of a sharp economic slowdown eased. Growth softened but remained resilient, inflation continued to cool, and central banks started to cut rates, supporting investor confidence. Credit markets stayed open and active, although spreads were tight after a long period of strong demand, meaning investors were increasingly selective.

In private credit, performance remained solid, helped by all-in yields remaining attractive, but competition continued to push spreads lower, especially in the upper-middle market. While headline credit stress stayed limited, signs of strain were more visible in older loans, where extensions and payment-in-kind interest are being used to manage pressure. As a result, opportunities increasingly favoured less crowded areas such as Europe, smaller transactions, and asset-backed lending, where structures and pricing remain more attractive. Heading into 2026, private credit remains well-positioned, but returns are likely to depend more on manager skill and careful underwriting than on broad market tailwinds.

Cycle 2 was well advanced at quarter-end, with ~80% of capital deployed and NAV nearing peak levels. The portfolio remained well diversified across more than 460 companies and seven funds, delivering strong performance and an attractive cash yield. Floating rate exposure continued to benefit from higher base rates, while FX hedging has reduced currency-related volatility.

The number of loans on the watch list increased during the quarter. While this is not a positive indicator, the level of underperforming credits remains broadly in line with

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
194.4	9.0%	8.5%	5,401,076	6,438,237	-1,037,161	-13,124,100	1.21	0.3%	0.0%

Private Debt Cycle 2

expectations for a portfolio at this stage of the cycle. These situations are being actively managed and remain isolated within an otherwise resilient portfolio.

Barings GPLF IV experienced a notable increase in watch list exposure during the quarter, primarily reflecting deterioration among certain specialist healthcare and private education borrowers. These are largely older loans originated in the immediate post-COVID period. While no principal losses have been realised to date, Barings has indicated that some losses are likely. This is not unusual for a broadly diversified private credit fund and remains consistent with portfolio-level expectations.

Pipeline

There is no fund pipeline as the portfolio is fully committed.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Private Debt Cycle 3

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 April 2022

Commitment to portfolio
£170.00m

The fund is denominated in GBP

Commitment to Investment
£170.00m

Amount Called
£90.95m

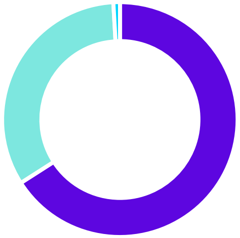
% called to date
53.50

Number of underlying funds
6

Avon's Holding:
GBP85.18m

Country

Invested in underlying investments

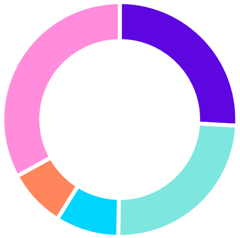


Europe	65.9%
North America	33.2%
Asia Pacific	0.9%
Other	-

Source: General Partner Reports
Country data is lagged by one quarter

Sector

GICs level 1



Software	25.8%
Health Care	24.4%
Professional Services	8.8%
Financials & Insurance	8.0%
Other	33.0%

Source: General Partner Reports
Sector data is lagged by one quarter

Performance commentary

Markets ended 2025 on a generally positive note as interest rates began to move lower and fears of a sharp economic slowdown eased. Growth softened but remained resilient, inflation continued to cool, and central banks started to cut rates, supporting investor confidence. Credit markets stayed open and active, although spreads were tight after a long period of strong demand, meaning investors were increasingly selective.

In private credit, performance remained solid, helped by still-attractive all-in yields, but competition continued to push spreads lower, especially in the upper-middle market. While headline credit stress stayed limited, signs of strain were more visible in older loans, where extensions and payment-in-kind interest are being used to manage pressure. As a result, opportunities increasingly favoured less crowded areas such as Europe, smaller transactions, and asset-backed lending, where structures and pricing remain more attractive. Heading into 2026, private credit remained well-positioned, but returns are likely to depend more on manager skill and careful underwriting than on broad market tailwinds.

Cycle 3 is progressing through its deployment phase, with approximately 50% of committed capital drawn across six underlying funds. The portfolio has grown to include investments in more than 520 companies. Performance has been solid, supported by a healthy level of cash income. Exposure to floating-rate assets has continued to benefit from elevated base rates, while active FX hedging helped limit the impact of currency movements on returns.

The level of underperforming companies on the watchlist remains minimal, which is consistent with the portfolio's early

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
85.2	8.9%	9.7%	6,910,383	3,587,993	3,322,390	1,383,140	1.15	0.1%	0.0%

Private Debt Cycle 3

stage of development. No restructurings have occurred to date. The portfolio's vintage — invested after COVID-era disruptions and following the interest-rate reset — has contributed to more resilient credit performance.

Pipeline

There is no fund pipeline as the portfolio is fully committed.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure Cycle 1

Investment objective
Portfolio of predominantly European sustainable infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 October 2018

Commitment to portfolio
£115.00m

The fund is denominated in GBP

Commitment to Investment
£114.52m

Amount Called
£112.45m

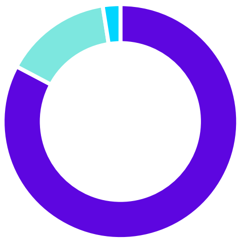
% called to date
98.20

Number of underlying funds
5

Avon's Holding:
GBP121.24m

Country

Commitment in underlying investments



Europe (incl. UK)	82.8%
North America	14.8%
Rest Of World	2.4%

Source: Stepstone
Country data is lagged by one quarter

Sector

Wind	26.9%
Solar	18.2%
Diversified Social	7.8%
Rail	6.4%
Distributed Energy	6.1%
Other	34.6%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

The portfolio is ~95% invested and ~97% committed across nine primary funds, five tactical co-investments, and one secondary investment, following the exit from Pattern Energy. Overall, we are pleased with the evolution and performance of Cycle 1.

Q4 2025 was marked by policy uncertainty, supply chain constraints, and accelerating digitalisation and decarbonization trends. In the US, the federal government issued further stop-work orders to five major offshore wind projects - Vineyard Wind 1, Revolution Wind, Coastal Virginia Offshore Wind, Sunrise Wind, and Empire Wind 1 - citing national security concerns related to radar interference and grid reliability. These actions are causing managers to cancel or delay billions in investment and new renewable capacity, impacting grid planning and the energy transition. The suspension also affects projects already under construction and, in some cases, already delivering power. It has drawn criticism from developers and utilities, who warn of risks to grid reliability, increased energy costs, and job losses.

Power demand remains near decade-high levels, underpinned by structural demand drivers from industry and from the electrification of transport, but especially from AI and the requisite new data centres. This sustained momentum highlights the urgent need for investment in generation capacity and grid resilience, driven by the widening gap between electricity demand and available supply.

The rapid expansion of AI and data centres has amplified these pressures. Co-locating renewable energy sources with data centres presents a potential solution to the grid

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
121.2	8.5%	7.0%	404,180	2,169,372	-1,765,191	3,619,030	1.30	0.2%	0.0%

Infrastructure Cycle 1

interconnection bottleneck, covering up to 70% of energy needs through on-site generation, but grid dependency persists for the remaining amount. The boom has also exposed supply-side constraints. Legacy grid limitations, power supply availability, energy efficiency, and water efficiency are all pressing concerns in new data centre development.

Supply chain bottlenecks compound the challenge. US data centre electricity consumption is expected to at least double by 2030, potentially absorbing up to 76GW of new capacity and accounting for as much as 15% of US power generation. Yet gas turbine supply chains face material, labour, and capacity bottlenecks, pushing lead times to 3-4 years and tripling plant costs since 2022. Developers are increasingly turning to utility-scale solar and battery storage, which can be deployed faster and at lower cost, further accelerating the shift toward renewables and flexible grid solutions.

Capital flows reflect this trend. Fundraising hit a record $175bn in Q1-Q3 2025, with momentum expected to continue through year-end. Renewables (~66%) and data centres (~20%) dominated sector-specific strategies. Mega funds capable of deploying into large-scale deals in these sectors are expected to drive elevated activity. North America leads the fundraising activity, and despite Europe being more subdued, it is on track to trend higher than in the past, with UK demand buoyed by the Mansion House Accord, committing DC schemes to allocate at least 5% of AUM to UK private markets by 2030. Global deal activity continues to trend positively as we approach year-end, with dealmaking up 20% year-over-year, fuelled by a resurgence in greenfield financing, which has regained momentum following a brief slowdown in Q3 2024. Europe led M&A activity by deal count, while North America dominated by deal value. UK airports saw a particularly active M&A year with the sale of ownership stakes in Birmingham Airport, Bristol Airport, and London City Airport. Investment in the UK has turned a corner and now accounts for 10% of global volumes, with a more favourable perception following recent regulatory clarity and clean energy commitments – though November's ROC/FiT consultations sparked industry backlash over valuation, confidence, and unintended consequences. Past precedents like REMA suggest it is not impossible the government may listen to the industry and ultimately de-risk the sector.

Against this volatile backdrop, the Infrastructure Cycle 1 portfolio has been constructed with an emphasis on resilience and adaptability. Diversification across vintages, geographies, sectors, technologies, and managers remains crucial in navigating a volatile and rapidly evolving global landscape. The portfolio's performance continues to compare favourably to demanding benchmarks, reflecting a disciplined approach to risk management and opportunity selection.

Pipeline

Cycle 1 is fully committed, so no new investments are required.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure (Renewables) Cycle 2

Investment objective
Global portfolio of renewable energy and associated infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£120.00m

The fund is denominated in GBP

Commitment to Investment
£120.00m

Amount Called
£97.17m

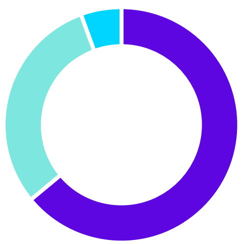
% called to date
80.98

Number of underlying funds
1

Avon's Holding:
GBP92.03m

Country

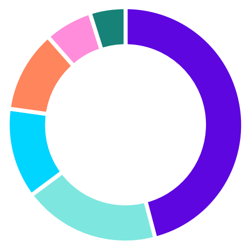
Commitment in underlying investments



Europe (incl. UK)	64.0%
North America	30.4%
Rest Of World	5.6%

Source: Stepstone
Country data is lagged by one quarter

Sector



Solar	45.9%
Wind	18.9%
Energy Efficiency	12.4%
Energy Storage	11.3%
Diversified Renewables	6.6%
Other	4.9%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

The Cycle 2 Renewables portfolio is ~94% committed and ~79% invested across seven primary funds and ten tactical co-investments following the strong exit from Akuo by ICG during Q2 2025.

Q4 2025 was marked by policy uncertainty, supply chain constraints, and accelerating digitalisation and decarbonisation trends. In the US, the federal government issued further stop-work orders to five major offshore wind projects - Vineyard Wind 1, Revolution Wind, Coastal Virginia Offshore Wind, Sunrise Wind, and Empire Wind 1 - citing national security concerns related to radar interference and grid reliability. These actions are causing managers to cancel or delay billions in investment and new renewable capacity, impacting grid planning and the energy transition. The suspension affecting projects already under construction and, in some cases, already delivering power, has drawn criticism from developers and utilities, who warn of risks to grid reliability, increased energy costs, and job losses.

Power demand remained near decade-high levels, underpinned by structural demand drivers from industry, electrification of transport, and data centres. This sustained momentum highlights the urgent need for investment in generation capacity and grid resilience, driven by the widening gap between electricity demand and available supply.

The rapid expansion of AI and data centres amplified these pressures. Co-locating renewable energy sources with data centres presents a potential solution to the grid interconnection bottleneck, covering up to 70% of energy needs through on-site generation, but grid dependency

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
92.0	0.4%	4.1%	892,652	177,780	714,872	-1,202,160	1.11	0.0%	0.0%

Infrastructure (Renewables) Cycle 2

persisted for the remaining amount. The boom has also exposed supply-side constraints, with legacy grid limitations, power supply availability, energy efficiency, and water efficiency pressing concerns in the development of new data centre.

Supply chain bottlenecks compound the challenge. US data centre electricity consumption is expected to at least double by 2030, potentially absorbing up to 76GW of new capacity and accounting for as much as 15% of US power generation. Yet gas turbine supply chains face material, labour, and capacity bottlenecks, pushing lead times to 3-4 years and tripling plant costs since 2022. Developers are increasingly turning to utility-scale solar and battery storage, which can be deployed faster and cheaper, further accelerating the shift toward renewables and flexible grid solutions.

Capital flows reflect this trend. Fundraising hit a record $175bn in Q1-Q3 2025, with momentum expected to continue through year-end. Renewables (~66%) and data centres (~20%) dominated sector-specific strategies. Mega funds capable of deploying into large-scale deals in these sectors are expected to drive elevated activity. North America leads the fundraising activity, and despite Europe being more subdued, it is on track to trend higher than in the past, with UK demand buoyed by the Mansion House Accord, committing DC schemes to allocate at least 5% of AUM to UK private markets by 2030. Global deal activity continues to trend positively as we approach year-end, with dealmaking up 20% year-over-year, fuelled by a resurgence in greenfield financing, which has regained momentum following a brief slowdown in Q3 2024. Europe led M&A activity by deal count, while North America dominated by deal value. UK airports saw a particularly active M&A year with the sale of ownership stakes in Birmingham Airport, Bristol Airport, and London City Airport. Investment in the UK has turned a corner and now accounts for 10% of global volumes, with a more favourable perception following recent regulatory clarity and clean energy commitments – though November's ROC/FiT consultations sparked industry backlash over valuation, confidence, and unintended consequences. Past precedents like REMA suggest it is not impossible government may listen to the industry and ultimately de-risk the sector.

During the quarter, Reden Solar (Project Mandel) planned to transition its business model from a developer to an IPP, requiring additional funding, following a softening market and slower-than-expected pipeline growth. This may impact returns on the co-investment, particularly if Brunel decides the risk-return on offer is not suitable for a follow-on. Our co-investment in Skyborn is another investment we expect to underperform due to the offshore wind challenges mentioned above. However, GIP did negotiate an IRR true-up with Eversource, whereby Eversource must make GIP whole for the purchase price of Revolution Wind, other expenditures, and a 6.5% return on those amounts, providing strong downside protection to investors. It's also important to note that 2-R also has three of the top ten value contributors within Brunel's infrastructure portfolio (GreenYellow, CSE and AVSE, and Akuo).

The portfolio remains well-diversified across sponsors, technologies, and geographies, and performance to date has been solid. While renewables face certain headwinds, the structural trend towards decarbonisation and growing demand for clean energy present compelling opportunities. Our managers are positioned to benefit from these dynamics.

Pipeline

The Cycle 2 Renewables portfolio is now fully committed, so no new investments are required.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure Cycle 3

Investment objective
Global portfolio of infrastructure assets, mainly focussed on climate solutions, energy transition and efficiency

Benchmark
n/a - absolute return target

Outperformance target
net 8% IRR

Launch date
1 April 2022

Commitment to portfolio
£55.00m

The fund is denominated in GBP

Commitment to Investment
£55.00m

Amount Called
£31.06m

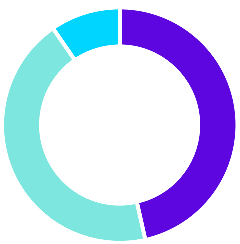
% called to date
56.47

Number of underlying funds
1

Avon's Holding:
GBP30.88m

Country

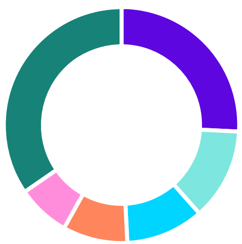
Commitment in underlying investments



Europe (incl. UK)	46.5%
North America	43.9%
Rest Of World	9.6%

Source: Stepstone
Country data is lagged by one quarter

Sector



Diversified Renewables	25.9%
Fibre	12.6%
Agriculture (Crops)	10.7%
Timber	8.9%
Water Utilities	7.3%
Other	34.6%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

Cycle 3 is ~80% committed and ~51% invested across eleven primary funds, one secondary fund, 8 tactical coinvests and a tactical, mini-secondaries portfolio of 7 investments.

Q4 2025 was marked by policy uncertainty, supply chain constraints, and accelerating digitalisation and decarbonisation trends. In the US, the federal government issued further stop-work orders to five major offshore wind projects - Vineyard Wind 1, Revolution Wind, Coastal Virginia Offshore Wind, Sunrise Wind, and Empire Wind 1 - citing national security concerns related to radar interference and grid reliability. These actions are causing managers to cancel or delay billions in investment and new renewable capacity, impacting grid planning and the energy transition. The suspension is affecting projects already under construction and, in some cases, projects already delivering power. The move has drawn criticism from developers and utilities, who warn of risks to grid reliability, increased energy costs, and job losses.

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The rapid expansion of AI and data centres amplified these pressures. Co-locating renewable energy sources with data centres presents a potential solution to the grid interconnection bottleneck, covering up to 70% of energy needs through on-site generation, but grid dependency

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
30.9	10.1%	5.8%	4,361,122	62,631	4,298,491	952,626	1.10	0.0%	0.0%

Infrastructure Cycle 3

persists for the remaining amount. The boom also exposed supply-side constraints, with legacy grid limitations, power supply availability, energy efficiency, and water efficiency proving to be pressing concerns in new data centre development.

Supply chain bottlenecks compound the challenge. US data centre electricity consumption is expected to at least double by 2030, potentially absorbing up to 76GW of new capacity and accounting for as much as 15% of US power generation. Yet, gas turbine supply chains face material, labour, and capacity bottlenecks, pushing lead times to 3-4 years and tripling plant costs since 2022. Developers are increasingly turning to utility-scale solar and battery storage, which can be deployed faster and cheaper, further accelerating the shift toward renewables and flexible grid solutions.

Capital flows reflect this trend. Fundraising hit a record $175bn in Q1-Q3 2025, with momentum expected to continue through year-end. Renewables (~66%) and data centres (~20%) dominated sector-specific strategies. Mega funds capable of deploying into large-scale deals in these sectors are expected to drive elevated activity. North America leads the fundraising activity and, despite Europe being more subdued, it is on track to trend higher than in the past, with UK demand buoyed by the Mansion House Accord, committing DC schemes to allocate at least 5% of AUM to UK private markets by 2030. Global deal activity continued to trend positively as we approached year-end, with dealmaking up 20% year-over-year, fuelled by a resurgence in greenfield financing, which regained momentum following a brief slowdown in Q3 2024. Europe led M&A activity by deal count, while North America dominated by deal value. UK airports saw a particularly active M&A year with the sale of ownership stakes in Birmingham Airport, Bristol Airport, and London City Airport. Investment in the UK turned a corner and now accounts for 10% of global volumes, with a more favourable perception following on the heels of recent regulatory clarity and clean energy commitments – though November's ROC/FiT consultations sparked industry backlash over valuation, confidence, and unintended consequences. Past precedents like REMA suggest it is not impossible the government may listen to the industry and ultimately de-risk the sector.

While still in its early stages, we are happy with the diversified nature of this portfolio across sponsors, geographies, technologies, and risk profiles.

Pipeline

Two co-investments have been approved and are pending closure: a North American renewables platform and a UK train rolling stock platform. Efforts are ongoing to identify the final two co-investments needed to complete Cycle 3.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 1

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 October 2018

Commitment to portfolio
£345.00m

The fund is denominated in GBP

Commitment to Investment
£345.00m

Amount Called
£344.17m

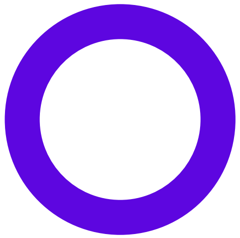
% called to date
99.76

Number of underlying funds
3

Avon's Holding:
GBP286.17m

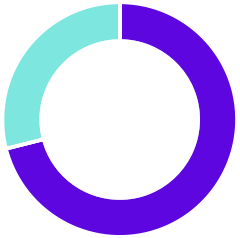
Country

Invested in underlying investments



Source: Asset Metrix
Country data is lagged by one quarter

Strategy



Source: Asset Metrix
Strategy data is lagged by one quarter

Performance commentary

For UK long lease property funds, performance continued to be driven by income, with more positive valuation evidence. Both long lease property funds outperformed the MSCI Long Income Index over 12 months to September, with M&G Secured Property Income Fund (SPIF) outperforming over all time periods. The fund is forecasting net 7-9% p.a. While Aberdeen Long Lease Property (LLP) is still lagging over longer time periods, the fund is showing marked improvement over recent quarters.

The long lease property redemption queues have stabilised, and the managers continue work to clear these. LLP completed eight sales totalling £185 million in Q3 to meet outstanding requests, helping to clear a significant proportion of the queue. No further sales were planned for Q4, with expectations of further disposals planned for early 2026. SPIF settled its deferred redemption queue in full by November 2025, supported by £266 million in new investor inflows during the year and further commitments expected in 2026. The fund's liquidity position has been significantly strengthened, enabling a return to normal redemption operations and the potential to commence acquisitions in future quarters.

2025's GRESB scores were released in October. M&G SPIF continued to score well, improving on its strong 2024 score by 2 points to reach 90/100, achieving 5 stars and 4th in the peer group of 75. Aberdeen also improved on its score, reaching 77.

On the infrastructure side, Schroders Greencoat UK (GRI) had called 96% of total investor commitments as of Q3 2025. During Q3, the fund deployed additional capital into Greencoat Solar II and the Green Hydrogen Energy

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
286.2	5.1%	0.4%	42,469	5,405,093	-5,362,625	6,346,020	1.01	0.3%	0.0%

Secured Income Cycle 1

Company (GHECO). The income from GRI remains strong, with the annualised cash yield for the fund at 6.7% (Q3) and a forward-looking 12-month yield of 7.2%. NAV decreased marginally due to updates to power prices across all assets and updates to generation assumptions in Speyside, which was offline for major repairs but has since returned to service.

The Fund's technologies had a mixed quarter, emphasising the benefits of diverse generation within the portfolio. Wind generation was impacted by low wind resource, while solar experienced above-average irradiance. Solar II and Toucan remain resilient despite challenges related to DNO (distribution network operator) outages, curtailment, and technical issues. Speyside returned to service, while Margam and Templeborough were operating reliably following operational issues. District Heating and Battery Storage both performed well over the quarter.

On 31 October, the UK Department of Energy launched a consultation process on proposals to change the inflation indexation for the Renewables Obligation Certificates (ROCs) and Feed-in-Tariff (FiT) schemes, which compensate renewable energy generators; the move would have a material impact on GRI cashflow and valuations. These proposals sparked an industry backlash over valuation, future investor confidence, and unintended consequences. We are currently waiting to hear the outcome from the consultation.

Pipeline

There is no fund pipeline, with the portfolio fully committed and invested.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 2

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 May 2020

Commitment to portfolio
£120.00m

The fund is denominated in GBP

Commitment to Investment
£84.00m

Amount Called
£83.82m

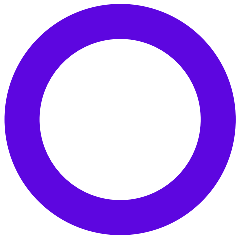
% called to date
99.78

Number of underlying funds
3

Avon's Holding:
GBP96.48m

Country

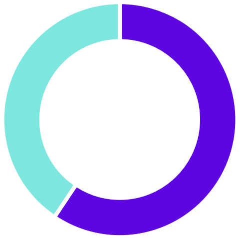
Invested in underlying investments



United Kingdom	100.0%

Source: Asset Metrix
Country data is lagged by one quarter

Strategy



Long Lease Property	59.4%
Operational	40.6%

Source: Asset Metrix
Strategy data is lagged by one quarter

Performance commentary

For UK long lease property funds, performance continued to be driven by income, with more positive valuation evidence. Both long lease property funds outperformed the MSCI Long Income Index over 12 months to September. The M&G Secured Property Income Fund (SPIF) outperformed over all time periods. The fund is forecasting net 7-9% p.a. While Aberdeen Long Lease Property (LLP) still lagged over longer time periods, the fund showed marked improvement versus previous quarters.

The long lease property redemption queues stabilised, and the managers continued work to clear them. LLP completed eight sales totalling £185 million in Q3 to meet outstanding requests, helping to clear a significant proportion of the queue. No further sales were planned for Q4, with expectations of further disposals planned for early 2026. SPIF settled its deferred redemption queue in full by November 2025, supported by £266 million in new investor inflows during the year and further commitments expected in 2026. The fund's liquidity position was significantly strengthened, enabling a return to normal redemption operations and the potential to commence acquisitions in future quarters.

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On the infrastructure side, Schroders Greencoat UK (GRI) had called 96% of total investor commitments as of Q3 2025. During Q3, the fund deployed additional capital into Greencoat Solar II and the Green Hydrogen Energy

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
96.5	1.2%	1.5%	12,037	1,108,140	-1,096,103	1,151,150	1.02	0.0%	0.0%

Secured Income Cycle 2

Company (GHECO). The income from GRI remained strong, with the annualised cash yield for the fund at 6.7% (Q3) and a forward-looking 12-month yield of 7.2%. NAV decreased marginally due to updates to power prices across all assets and updates to generation assumptions in Speyside, which was offline for major repairs but has since returned to service.

The fund's technologies had a mixed quarter, emphasising the benefits of diverse generation within the portfolio. Wind generation was impacted by low wind resource, while solar experienced above-average irradiance. Solar II and Toucan remained resilient despite challenges related to DNO (distribution network operator) outages, curtailment, and technical issues. Speyside returned to service, while Margam and Templeborough were operating reliably following operational issues. District Heating and battery storage both performed well over the quarter.

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Pipeline

There is no fund pipeline, with the portfolio fully committed and invested.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 3

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 April 2022

Commitment to portfolio
£240.00m

The fund is denominated in GBP

Commitment to Investment
£240.00m

Amount Called
£236.98m

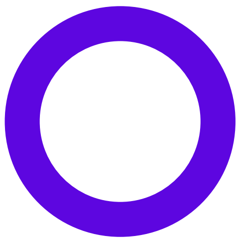
% called to date
98.74

Number of underlying funds
3

Avon's Holding:
GBP227.94m

Country

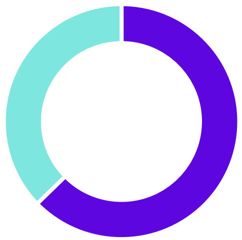
Invested in underlying investments



United Kingdom	100.0%

Source: Asset Metrix
Country data is lagged by one quarter

Strategy



Long Lease Property	62.7%
Operational	37.3%

Source: Asset Metrix
Strategy data is lagged by one quarter

Performance commentary

For UK long lease property funds, performance continued to be driven by income, with more positive valuation evidence. Both long lease property funds outperformed the MSCI Long Income Index over 12 months to end-September. The M&G Secured Property Income Fund (SPIF) outperformed over all time periods. The fund is forecasting net 7-9% p.a. While Aberdeen Long Lease Property (LLP) was still lagging over longer time periods, the fund was showing marked improvement versus previous quarters.

The long lease property redemption queues stabilised, and the managers continued work to clear them. LLP completed eight sales totalling £185 million in Q3 to meet outstanding requests, helping to clear a significant proportion of the queue. No further sales were planned for Q4, with expectations of further disposals planned for early 2026. SPIF settled its deferred redemption queue in full by November 2025, supported by £266 million in new investor inflows during the year and further commitments expected in 2026. The fund's liquidity position was significantly strengthened, enabling a return to normal redemption operations and the potential to commence acquisitions in future quarters.

2025's GRESB scores were released in October. M&G SPIF continued to score well, improving on its strong 2024 score by 2 points to reach 90/100, achieving 5 stars and 4th in the peer group of 75. Aberdeen also improved on its score, reaching 77.

On the infrastructure side, Schroders Greencoat UK (GRI) had called 96% of total investor commitments as of end-Q3 2025. During Q3, the fund deployed additional capital into Greencoat Solar II and the Green Hydrogen Energy

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
227.9	1.4%	-	30,633	2,542,435	-2,511,802	2,850,390	1.08	0.0%	0.0%

Secured Income Cycle 3

Company (GHECO). The income from GRI remained strong, with the annualised cash yield for the fund at 6.7% (Q3) and a forward-looking 12-month yield of 7.2%. NAV decreased marginally due to updates to power prices across all assets and updates to generation assumptions in Speyside, which was offline for major repairs but has since returned to service.

The fund's technologies had a mixed quarter, emphasising the benefits of diverse generation within the portfolio. Wind generation was impacted by low wind resource, while solar experienced above-average irradiance. Solar II and Toucan remained resilient despite challenges related to DNO (distribution network operator) outages, curtailment, and technical issues. Speyside returned to service, while Margam and Templeborough were operating reliably following operational issues. District Heating and battery storage both performed well over the quarter.

On 31 October, the UK Department of Energy launched a consultation process on proposals to change the inflation indexation for the Renewables Obligation Certificates (ROCs) and Feed-in-Tariff (FiT) schemes, which compensate renewable energy generators. The change would have a material impact on GRI cashflow and valuations. The proposals sparked an industry backlash over valuation, future investor confidence, and unintended consequences. We are currently waiting to hear the outcome from the consultation.

Pipeline

There is no fund pipeline, with the portfolio fully committed and invested.

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

UK Property

Investment strategy & key drivers

Portfolio of active UK property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

MSCI/AREF UK

Outperformance target

+0.5%

Commitment to portfolio

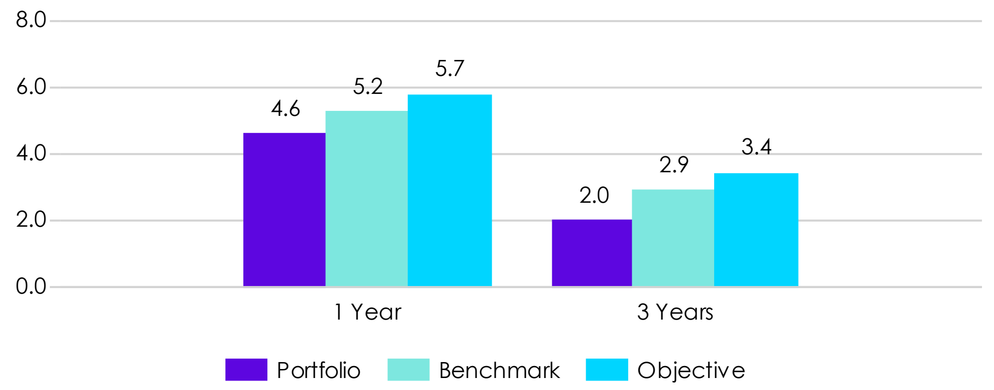
£210.0m

Amount Called

£200.1m

Number of portfolios

-



Performance commentary

2025 was a year of transition for UK real estate. After a slow start due to global tariff concerns and economic uncertainty, confidence improved following the November Budget. Full-year investment volumes are expected to match 2024's £55 billion, with Q4 activity signalling stabilisation and renewed optimism for 2026. Major transactions across offices, retail, and logistics suggested a market becoming more comfortable with structural changes and pricing adjustments.

Sector performance was mixed but resilient. Prime London offices rebounded with record rents. Industrial and logistics remaining strong, and living sectors – housing, student accommodation, and healthcare – attracted significant global capital, including landmark transactions in care homes and build-to-rent (BTR). Retail recovered, led by retail parks and shopping centres, while hospitality saw solid single-asset deals despite portfolio challenges. Development viability remained a headwind, but signs of easing costs and improved debt availability emerged late in the year.

Looking ahead, increased debt liquidity and expected rate cuts should drive stronger activity in 2026. Key themes include continued focus on "beds, sheds and meds", flight to quality in offices, sustainability, and growing adoption of property technology and AI. Overall, 2025 laid the foundations for a more active and dynamic market next year.

The MSCI/AREF UK Quarterly Property Fund Index reported a total return of 1.3% for Q3 2025, reinforcing a narrative of market stabilisation and bringing the rolling 12-month return to 6.3%.

Brunel's core diversified funds maintained stable NAVs and yields, with occupancy levels above 90%, though liquidity pressures persisted in open-ended, indirect fund vehicles (and is likely to get worse with further pooling consolidation and moves to direct portfolios). In December, Schroders Capital UK Real Estate Fund suspended subscriptions and redemptions amid queues exceeding £750m (Brunel submitted a full, defensive redemption in June and pushed

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 1 year	Perf. 3 year	Perf. 5 year	Perf. SII*	TVPI	Inception Date
Brunel UK Property	200.1	194.0	4.6%	2.0%	-	3.0%	1.29	Jan 2021

UK Property

the manager to suspend the fund). Specialist funds outperformed, with logistics and industrial strategies delivering NAV growth of around 1%, and Health Care and residential funds continuing to perform well.

The UK Property Model Review reduced core balanced fund allocation to 50%, removed the debt allocation, and increased sector-specialist funds to 50% to reflect stronger conviction in logistics, living and healthcare. Schroders Capital UK Real Estate Fund was removed due to liquidity issues, while Legal & General Managed Property Fund was added following its merger with Federated Hermes Property Unit Trust. (It had been removed from the model portfolio following Brunel's full redemption request in 2024, which prompted the merger with L&G MPF, gaining the option for liquidity for clients).

Pipeline

There is no new fund pipeline, with the portfolio fully committed to model funds.

*Since initial investment

Glossary

Term	Comment
absolute risk	Overall assessment of the volatility that an investment will have
ACS	Authorised Contractual Scheme - a collective investment arrangement that holds and manages assets on behalf of a number of investors
active risk/weight	A measure of the percentage of a holding that differs from the benchmark index; can relate to an equity, a sector or a country/region
amount called	In private investments, this reflects the actual investment amount that has been drawn down
amount committed	In private investments, this is the amount that a client has committed to an investment - it will be drawn down (called) during the investment period
annualised return	Returns are quoted on an annualised basis, net of fees
asset allocation	Performance driven by selecting specific country, sector positions or asset classes as applicable
basis points (BP)	A basis point is 0.01% - so 100bps is 1.0%. Often used for fund performance and management fees
CTB	Climate Transition Benchmark - targets 30% lower carbon exposure from 2020 and then a 7% annual reduction
DLUHC	Department for Levelling Up, Housing & Communities; the government body with oversight of pooling
DPI	Distributed to Paid In; ratio of money distributed to Limited Partners by the Fund, relative to contributions. Used for private markets investments
duration	A measure of bond price sensitivity to changes in interest rates. A high duration suggests a bond's price will fall by relatively more if interest rates increase than a bond with a low duration

Term	Comment
EBITDA margin	An EBITDA margin is a profitability ratio that measures how much in Earnings a company is generating Before Interest, Taxes, Depreciation, and Amortization, as a percentage of revenue.
ESG	ESG is an umbrella term to capture the various environmental, social and governance risks investors factor into their assessment of a company's sustainability profile. Brunel views assessing ESG factors as a central part of our fiduciary duty
ESG Score	The Morningstar Sustainalytics ESG Risk Ratings are based on an assessment of a company's exposure to risk and how well it manages those risks, resulting in a single score that indicates the company's overall ESG risk level. The rating is comprised of three central building blocks: corporate governance, Material ESG Issues (MEIs), and idiosyncratic issues. The scores are categorized across five risk levels: negligible, low, medium, high, and severe.
extractive exposures VOH	Value of Holdings of invested companies which derive revenues from extractive industries
GP or general partner	In Private Equity, the GP is usually the firm that manages the fund
gross performance	Performance before deduction of fees
Growth	Growth stocks typically exhibit faster long term growth prospects and are often valued at higher price multiples
IRR	Internal Rate of Return - a return that takes account of actual money invested
legacy assets	Client assets not managed via the Brunel Pension Partnership
Low Volatility	Low Volatility is a strategy that attempts to minimise the return volatility.
LP or limited partner	In private equity, an LP is usually a third party investor in the fund

Glossary

Term	Comment
LP or limited partner	In private equity, an LP is usually a third party investor in the fund
M&A	Mergers and acquisitions
Momentum	An investment strategy that aims to capitalize on the continuance of existing trends in the market
Money-weighted return	A performance measure that takes into account the timing and size of cash flows, including contributions and withdrawals.
MWR	Money weighted return - similar to an IRR - it reflects the actual investment return taking into account cashflows
NAV	Net asset value
net performance	Performance after deduction of all fees
PAB	Paris-Aligned Benchmark - targets a 50% lower carbon exposure from 2020 and then a 7% annual reduction
Quality	Quality stocks typically have a high Return on Equity, a very consistent profit outcome and exhibit higher and stable margins
relative risk	Relative volatility when compared with a benchmark
sector/stock selection	Performance driven by the selection of individual investments within a country or sector
since inception	Period since the portfolio was formed
since initial investment	Period since the client made its first investment in the fund
SONIA	Sterling Overnight Index Average - Overnight interbank interest rate - replacement for LIBOR
source of performance data	Source of performance data is provided net of fees by State Street Global Services unless otherwise indicated

Term	Comment
standard deviation	Standard deviation is a measure of volatility for an investment using historical data. Volatility is used as a measure of investment risk. A higher number may indicate a more volatile (or riskier) investment but should be taken in context with other measures of risk
time-weighted return	A performance measure that eliminates the impact of cash flows, focussing solely on the investment's rate of return over a specific time period. It does not account for the timing and size of contributions and withdrawals.
total extractive exposure	Revenue derived from extractive operations as a % of total corporate revenue
total return (TR)	Total Return - including price change and accumulated dividends
tracking error	A measure of relative volatility around a benchmark. A fund which differs greatly from the benchmark is likely to have a high tracking error
transitioned assets	Client assets that have been transferred to the Brunel Pension Partnership
TVPI	Total Value to Paid In; ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid in
Value	Value stocks typically have a low valuation when measured on a Price to Book or Price to earnings ratio
WACI	WACI should read Weighted Average Carbon Intensity = Weight of Portfolio * (Carbon Emissions / Revenue)
yield to worst	Lowest possible yield on a bond portfolio assuming no defaults

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