

Apogee Defensive Model Portfolio Update

Portfolio Performance Update

The performance of the Apogee Defensive Model Portfolio over the five-year period to 31st October 2025 compared to the IA Mixed Investment 0-35% Shares sector was as follows:

<i>Cumulative Performance</i>	6 months	1 yr	3 yrs	5 yrs
Apogee Defensive Model Portfolio	6.47%	8.02%	19.59%	18.77%
IA Mixed Investment 0-35% Shares	7.18%	8.02%	21.07%	14.41%

Please note, past performance is no guarantee of future returns. The returns shown are net of fund manager fees and show the historic returns achieved by the Apogee Model Portfolio managed in conjunction with RSMR.

Recommended Changes

Performance is largely driven by the defensive assets within the portfolio which is comprised of cash, global government bonds, global index linked bonds, and corporate bonds (UK and global).

The growth element of the portfolio comprises of global equities, global high yield bonds, emerging market local currency bonds, property, and infrastructure.

Having completed our quarterly review, the weighting of the portfolio is to be maintained at 74.5% in defensive assets and 25.5% in growth assets.

We are however recommending the following asset allocation and fund changes:

Asset Allocation Changes

We are slightly reducing our exposure to UK equities and reducing exposure to infrastructure this quarter. Global index linked bonds, short dated global index linked bonds, sterling corporate bonds, and short dated global corporate bonds are also being reduced.

The above reductions will facilitate an increase in European and Emerging Market equities in the growth part of the portfolio, and an increase to short dated sterling corporate bonds and global corporate bonds within the defensive part of the portfolio.

In addition to adjusting towards assets we feel will provide greater growth prospects, the above changes are mostly intended to reduce the 'factor risk' within the portfolio. This means future returns should be more dependent on underlying stock selection rather than rotations between investment styles like value, growth, or market cap.

Fund Changes

Alongside the asset allocation changes, we are recommending the holdings in the CFP SDL UK Buffettology fund, HSBC American Index fund, and Ninety One Emerging Markets Local Currency Debt fund be sold.

We are recommending the Gresham House UK Multi Cap Income fund, abrdn American Equity Enhanced Index fund, and M&G Emerging Markets Bond fund be introduced to the portfolio.

- The Gresham House UK Multi Cap Income fund replaces the CFP SDL UK Buffettology fund due to continued underperformance with the Buffettology fund, and concerns around the investment management team. The Gresham fund has a strong track record with attractive levels of long-term returns using a differentiated approach compared to its peers. The under-researched nature of small and mid-cap companies offers a long-term driver for outperformance through anomalies in valuation, and the fund has performed well in comparison with other small and mid-cap focussed funds in its sector.

- The abrdn American Equity Enhanced Index fund replaces the HSBC American Index fund - Although the HSBC fund has provided strong returns with low cost, the abrdn fund brings together the benefits of both active and passive management in a low-cost proposition. The active overlay of the abrdn fund (absent in the HSBC fund being replaced) is intended to mitigate some of the risks currently present in the US stock market, particularly the concentration of mega caps which dominate performance, whilst still offering a performance profile similar to the index.
- The M&G Emerging Markets Bond fund replaces the Ninety-One Emerging Markets Local Currency Debt fund (recently merged into the Ninety-One Emerging Markets Blended Debt fund) which is not RSMR rated. The M&G fund is not an exact like-for-like switch because the M&G fund is in the blended sector, and the fund manager can alter the allocation between local and hard currency at their discretion. However, the fund has an excellent track record, and the management team has been in place for many years. The switch is therefore into an RSMR rated fund that will provide greater flexibility for the fund manager within the emerging markets bond sector.

We will continue to keep the other fund holding contained within the portfolio under review and notify you of any changes as part of our quarterly updates.

New Fund Selection

The before and after position for the model following the proposed changes can be summarised as follows:

Fund	Sector	Current Holdings	New Holdings
Product Cash	Cash	2.00%	2.00%
Artemis Corporate Bond	Sterling Corporate Bond	5.00%	4.00%
Artemis Income	UK Equites	2.50%	2.00%
abrdn American Equity Enhanced Index	North America	-	6.50%
AXA Global Short Duration Bonds	Global Bonds	6.00%	5.00%
BNY Mellon Global Dynamic Bond	Targeted Absolute Return	6.50%	7.50%
BNY Mellon International Bond	Global Bonds	6.00%	7.00%
CFP SDL UK Buffettology	UK All Companies	1.50%	-
Fidelity Asia	Asia Pacific Excluding Japan	2.50%	2.00%
FSSA Global Emerging Markets Focus	Global Emerging Markets	1.00%	2.00%
FTF ClearBridge Global Infrastructure Income	Infrastructure	1.50%	-
Gresham House UK Multi Cap Income	UK Equites	-	1.50%
HSBC American Index	North America	6.50%	-
iShares Overseas Government Bond Index	Global Bonds	14.00%	14.00%
L&G Global Inflation Linked Bond Index	Global Bonds	11.00%	10.50%
M&G Emerging Markets Bond	Global EM Bond	-	2.50%
M&G Global Floating Rate High Yield Hedged	Sterling High Yield	2.50%	2.50%
M&G Global Government Bond	Global Government Bond	6.50%	6.50%
M&G Japan	Japan	1.00%	1.00%
M&G UK Inflation Linked Corporate Bond	Sterling Strategic Bond	7.50%	7.00%
Man GLG Undervalued Assets	UK All Companies	2.00%	2.00%
Ninety One Em. Markets Local Currency Debt	Global EM Bond	2.50%	-
Royal London Short Duration Credit	Sterling Strategic Bond	4.50%	6.50%
Schroder Global Cities Real Estate	Property Other	1.00%	1.00%
Schroder Sterling Corporate Bond	Sterling Corporate Bond	5.50%	4.50%
Waverton European Capital Growth	Europe Excluding UK	1.00%	2.50%

Updated Fund Charges

The following table illustrates the current and ongoing cost of the Apogee Defensive Model Portfolio following the recommended changes, which excludes any incidental transaction charges within the underlying funds:

	Ongoing fund charges (OCF)
Existing Apogee Defensive Model Portfolio	c.0.44%
Ongoing Apogee Defensive Model Portfolio	c.0.43%

As you can see, the recommended changes will provide a marginally lower level of ongoing fund charges, although please note the charges applicable to the underlying funds are subject to change.