

Apogee Moderately Adventurous Model Portfolio Update

Portfolio Performance Update

The performance of the Apogee Moderately Adventurous Model Portfolio over the five-year period to 31st July 2026 versus the portfolio's index can be summarised as follows:

<i>Cumulative Performance</i>	6 months	1 yr	3 yrs	5 yrs
Apogee Moderately Adventurous Portfolio	9.14%	17.94%	40.12%	34.04%
AFI Aggressive Index	6.63%	15.56%	39.58%	30.90%

Please note past performance is no guarantee of future returns, and 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.

We continue to be pleased with the performance of the portfolio versus the index, and we would generally place greater emphasis on the longer return performance, given the portfolio is positioned for longer term growth (5+ years).

Review of Asset Allocation & Fund Selection

Defensive assets comprise c.10% of portfolio which consists of cash, global developed government bonds, global index linked bonds, sterling corporate bonds, and global corporate bonds.

Growth assets comprise c.90% of the portfolio which consists of global equities, global high yield bonds, emerging market local currency bonds, and listed property.

Having completed our quarterly review, we would comment as follows:

Asset Allocation

- Due to having genuine diversification across asset classes, sectors, regions, and investment styles, we feel the asset allocation of our Apogee Moderately Adventurous Model Portfolio remains well positioned to weather ongoing uncertainty in the current climate whilst offering the potential for capital growth. This can also help mitigate sudden market movements and preserve wealth.

On that basis, we do not propose any changes be made to the asset allocation framework.

Fund Selection

Having reviewed each of the individual funds that comprise the asset allocation, we are recommending the following fund switches:

Defensive assets:

- 1) Switch the BNY Mellon Global Dynamic Bond fund into the Royal London Global Bond Opportunities fund.**

A switch from the BNY fund is recommended because it currently contains a sizeable exposure to global *government* bond funds, despite being included within the 'Global Corporate Bonds' asset allocation.

The proposed replacement (Royal London Global Bond Opportunities) will provide exposure to true specialist global *corporate* bonds, that will better complement the required asset allocation.

- The **Royal London Global Bond Opportunities** fund is a flexible global credit strategy designed to deliver a high level of income while maintaining a favourable risk/reward profile. The fund invests across a broad opportunity set of investment grade, high yield and unrated corporate bonds, allowing the experienced Royal London fixed income team to exploit value opportunities globally rather than being constrained by benchmark weights.

Growth Assets

2) Switch the UBS US Growth fund into the Capital Group Investment Company of America fund.

The UBS fund has delivered good returns over the medium to long term but has done so with significantly higher volatility in comparison with its peers. Whilst this can be a positive on the upside, it also means significant underperformance when markets fall, and the UBS fund has repeatedly been amongst the best or worst performers for a given quarter.

The Capital Group's Investment Company of America fund exhibits some of the same behaviour as the UBS fund but achieves this with significantly less volatility, which provides a more consistent outcome.

- The **Capital Group's Investment Company of America** fund focuses on delivering a combination of capital growth and growing income through investment in high-quality businesses. The fund adopts Capital Group's distinctive multi-manager approach, combining the highest-conviction ideas of several portfolio managers with input from an extensive analyst team. Rather than pursuing a strong growth or value bias, the strategy seeks companies capable of sustaining and increasing their earnings and dividends over time, resulting in a diversified portfolio of resilient, cash-generative businesses. This quality focused approach has historically helped protect capital during market downturns while still participating in rising markets through disciplined stock selection.

3) Switch the BlackRock UK Special Situations fund into the Invesco UK Enhanced Index fund.

The performance of the BlackRock UK Special Situations fund has been disappointing for some time, which is largely attributed to the fund's exposure to small and mid-sized companies.

The replacement Invesco fund invests across the market cap spectrum but is more heavily weighted to UK large caps, whilst the portfolio will continue to have exposure to smaller UK companies via the retained Gresham House UK Multi Cap Income fund.

- The **Invesco UK Enhanced Index** Fund is designed to sit between a traditional passive tracker and a fully active UK equity fund, aiming to deliver index-like returns with modest outperformance over a full market cycle. The fund uses a systematic, research-driven process to identify UK companies exhibiting attractive value, momentum and quality characteristics, while maintaining risk characteristics broadly similar to the wider UK equity market.

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

Portfolio Rebalance

As part of implementing the recommended fund switches, we will rebalance the model in line with the original fund weightings.

Rebalancing is necessary because over time, some of the individual funds within the portfolio can provide greater returns than others, which can distort the asset allocation / risk strategy. This is known as 'portfolio drift' and is normal for model portfolios.

A rebalance will effectively re-align the portfolio with the recommended asset allocation which we feel could optimise returns going forward, whilst realigning the risk with the required strategy.

Updated Fund Selection

The current and ongoing composition of the Apogee Moderately Adventurous Model Portfolio once the fund switches have completed can be summarised as follows:

Fund	Sector	Current	Ongoing
Product Cash	Cash	2.0%	2.0%
abrdn American Equity Enhanced Index	North American Equity	7.0%	7.0%
Artemis Income	UK Equity Income	6.5%	6.5%
BlackRock UK Special Situations	UK All Companies	3.5%	-
BNY Mellon Global Dynamic Bond	Targeted Absolute Return	2.0%	-
BNY Mellon US Equity Income	North American Equity	4.0%	4.0%
Capital Group Investment Company of America	North America	-	6.0%
Fidelity Asia	Asia Pacific Excl Japan	4.5%	4.5%
FTF ClearBridge Global Infrastructure Income	Global Equity Income	4.0%	4.0%
Gresham House UK Multi Cap Income	UK Equities	3.0%	3.0%
Invesco UK Enhanced Index	UK All Companies	-	3.5%
iShares North American Equity Index	North America	6.0%	6.0%
iShares Overseas Government Bond Index	Global Bonds	2.0%	2.0%
JPM Emerging Markets	Global Emerging Markets	5.5%	5.5%
Jupiter Asian Income	Asia Pacific ex Japan	4.5%	4.5%
L&G Global Inflation Index Linked Bond	Global Inflation Linked Bond	1.0%	1.0%
Liontrust European Dynamic	Europe Excluding UK	4.5%	4.5%
M&G Emerging Markets Bond	Emerging Market Local Currency Bond	6.0%	6.0%
M&G Global Floating Rate High Yield Hedged	Sterling High Yield	7.0%	7.0%
M&G Japan Fund	Japan	4.0%	4.0%
Man GLG Undervalued Assets	UK All Companies	5.5%	5.5%
Royal London Global Bond Opportunities	Global Mixed Bond	-	2.0%
Royal London Short Duration Credit	Sterling Strategic Bond	1.0%	1.0%
Schroder Global Cities Real Estate	Property Other	4.0%	4.0%
Schroder Sterling Corporate Bond	Sterling Corporate Bond	2.0%	2.0%
UBS US Growth	North America	6.0%	-
Waverton European Capital Growth	Europe Excluding UK	4.5%	4.5%

Updated Portfolio Charges

The following table compares the charges of the existing Apogee Moderately Adventurous Model Portfolio vs the updated Moderately Adventurous Model Portfolio, excluding any incidental transaction charges within the underlying funds:

	Ongoing fund charges (OCF)
Existing Apogee Moderately Adventurous Model Portfolio	c.0.66%
Updated Apogee Moderately Adventurous Model Portfolio	c.0.63%

As you can see, the proposed fund switches will result in a reduction in ongoing cost of c.0.03% per annum.

Please note however the charges applicable to the underlying funds within the models are subject to change which means this position could change over time, and we also review the individual fund performance net of fund manager fees.