

Risk Profile Description

This portfolio is likely to contain lower, medium and higher risk investments, including cash, government bonds, UK corporate bonds and other higher-income types of global bonds as well as UK commercial property. It will also be expected to contain some higher-risk investments such as shares, but held mainly in UK and other developed markets, and a small amount in other higher-risk investments such as shares in emerging markets.

Cumulative Encore 40 returns of £100k invested

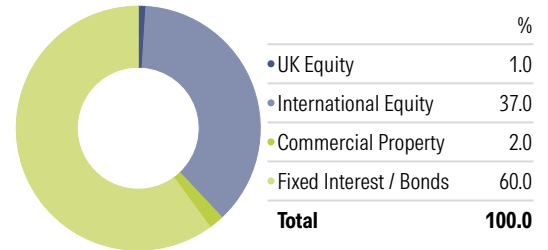
Time Period: 01/05/2015 to 31/05/2026



Encore 40 - Portfolio Information

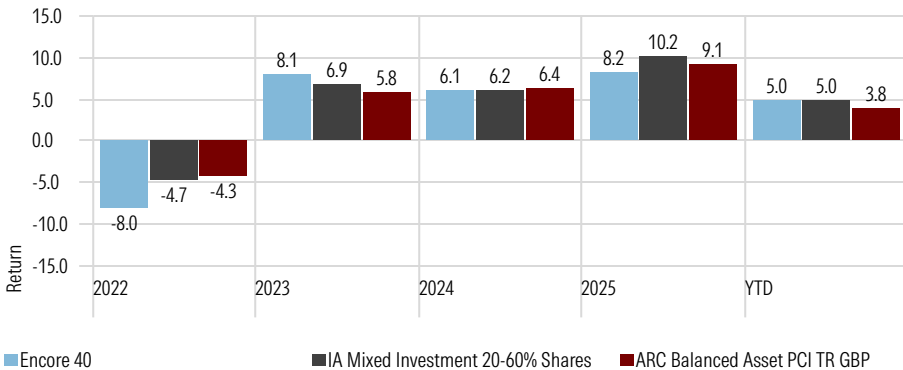
Yield	2.52%
OCF	0.10%
Transaction Charge	0.03%
Investment Management Fee	0.10%
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 20-60% Shares ARC Balanced Asset PCI TR GBP

Asset Allocation - Encore 40

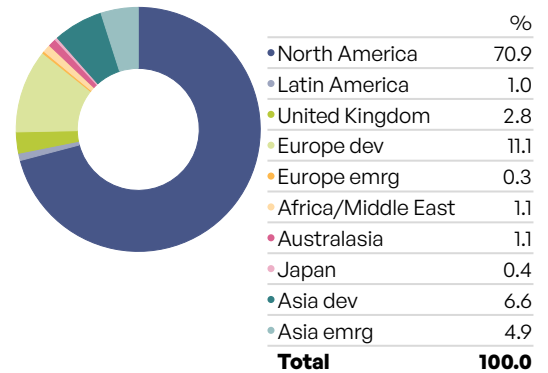


Calendar Year Returns

Calculation Benchmark: IA Mixed Investment 20-60% Shares



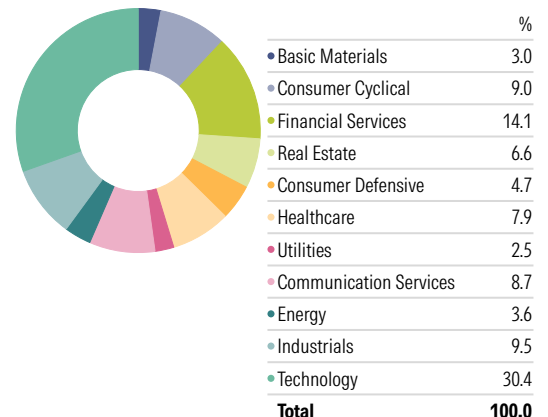
Equity Regional Exposure - Encore 40



Display Benchmark 1: IA Mixed Investment 20-60% Shares Display Benchmark 2: ARC Balanced Asset PCI TR GBP

Encore 40 Performance Metrics	Portfolio	Benchmark (IA)	Benchmark (ARC)
Max Drawdown	-18.69	-18.13	-11.13
Best Month %	4.43	5.86	4.94
Worst Month %	-6.14	-10.09	-7.24
Best Quarter	8.03	10.13	9.43
Worst Quarter %	-7.61	-13.02	-11.01

Equity Sectors (Morningstar) - Encore 40



Portfolio Comments

May was a constructive month for risk assets, although the path was uneven. Global equities generally moved higher, supported by resilient corporate earnings, continued enthusiasm around artificial intelligence and signs that the global economy was holding up better than expected. Developed markets posted gains, while emerging markets outperformed, underpinned by technology-heavy Asian markets.

The Iran-US conflict remains the key macro risk, but markets increasingly traded on the view that a worst-case outcome may be avoided. Earlier disruption around the Strait of Hormuz pushed oil prices higher and drove a bond market sell-off as investors priced in inflation risk. During May, sentiment improved as negotiations appeared to make progress, reducing fears of prolonged supply disruption. Equity investors largely looked through the conflict, focusing on earnings resilience, while bond investors remained cautious given inflation's sensitivity to energy prices.

Regionally, the US remained a leader in May, returning 1.92%, while the tech-heavy index gained 9.54%. Europe rose 4.19% as earnings held up and growth fears eased. The UK was more mixed, with large caps returning 0.88% and mid-caps 4.29%. Asia and emerging markets were among the strongest regions, as Taiwan, Korea and other technology-linked markets benefited from AI supply-chain exposure and firmer growth expectations.

Style leadership remained tilted toward growth and momentum in May, with growth outperforming value. Large caps also outperformed small caps, reflecting investor preference for stronger balance sheets, earnings durability and global market leadership while macro uncertainty remained elevated.

Defensive assets produced a mixed outcome. Government bonds weakened early in the month as higher oil prices lifted inflation expectations and pushed yields higher, before recovering some ground later as growth concerns resurfaced and the prospect of geopolitical progress improved.

Within the UK, gilts remained sensitive because domestic political instability added another layer of risk to the global rates story. Political uncertainty can raise concerns about fiscal discipline, borrowing needs, and policy credibility, pushing gilt yields higher and making the asset class more volatile. As a result, gilts did not behave as cleanly as a traditional defensive asset during the month.

Looking ahead, our view is cautiously constructive but selective. Markets continue to be supported by solid earnings, resilient activity, and investment in long-term growth themes, especially technology and AI. However, the outlook depends heavily on whether the Iran-US situation continues to de-escalate and whether energy prices settle. If they do, inflation pressure may ease and support broader risk assets. If not, renewed oil volatility could challenge valuations and central bank expectations. Overall, we expect quality businesses with strong earnings and pricing power to remain best placed as markets navigate geopolitics, inflation and the durability of growth.

Benchmark Disclaimers

The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter or leave, the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

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Top Holdings - Encore 40

Portfolio Date: 31/05/2026

	Equity Style Box	Portfolio Weighting %
Vanguard Glb Corp Bd Idx Ins PI £ H Acc		21.10
Fidelity Index Global Govt Bd S Acc		17.85
iShares OvrS Govt Bd Idx (UK) D Acc £Hdg		17.85
HSBC American Index C Acc		9.36
Fidelity Index US P Acc		9.29
Vanguard U.S. Eq Idx Ins PI £ Acc		9.05
Vanguard Em Mkts Stk Idx Ins PI £ Acc		5.34
Fidelity Index Europe ex UK P Acc		4.48
L&G Global Real Estate Div Index C Acc		2.00
Fidelity Index Japan P Acc		1.95
Fidelity Index UK P Acc		1.19
Vanguard Pac exlpn Stk Idx Ins PI £ Acc		0.54

Morningstar Style Box - Encore 40

Portfolio Date: 31/05/2026

Morningstar Equity Style Box™			Market Cap	%
	Value	Blend	Growth	
Large				Market Cap Giant % 46.1
				Market Cap Large % 32.5
Mid				Market Cap Mid % 17.6
				Market Cap Small % 3.0
Small				Market Cap Micro % 0.7