Setanta Active Multi-Asset Fund Range

January 2026

SETANTA
Asset Management

Contents

Fund description

The Setanta Active Multi-Asset Fund Range is made up of three actively managed portfolios that hold a combination of equities, bonds, property, cash and alternatives.

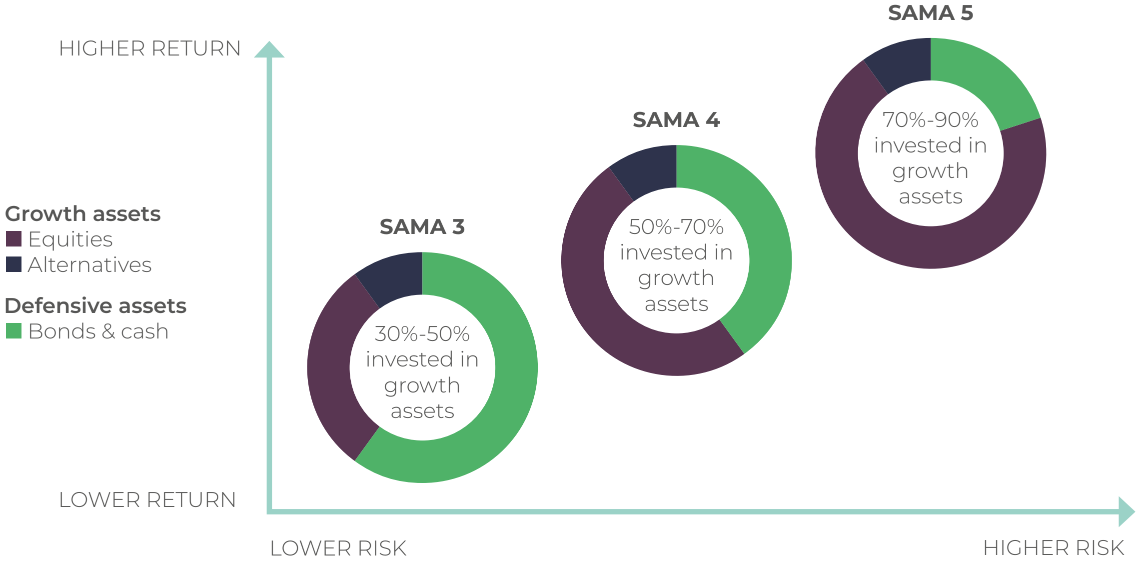
The funds are managed in line with the following core principles:

- **An asset mix that reflects the investment objectives**
  The funds' exposures across different asset types have been designed to meet specific risk and return requirements. These exposures may vary over time in line with the manager's views.
- **Consistent decision making**
  The design of each fund reflects a particular investment objective and attitude to risk. The funds are managed in a consistent manner, with investment decision-making implemented consistently across the fund range.
- **Broad diversification**
  The funds are broadly diversified across a range of growth assets, like equities and alternatives, and defensive assets, like bonds and cash. Excess returns are driven by superior stock selection and active asset allocation.

Three funds, three risk-return profiles

Each of the three Setanta Active Multi-Asset (SAMA) Funds has a different risk and return profile based on its differing exposures across asset classes. Each fund aims to grow your investment over the medium to long term by varying the exposure to growth assets.

Varied Exposure to Growth Assets



Market commentary

Late-Cycle Signals, Central-Bank Shifts and the Case for Staying Invested

The fourth quarter of 2025 marked a strong end to the year for financial markets. But despite positive headlines and solid returns, the period also saw a growing number of late-cycle signals emerging.

Equity markets advanced, bond markets stabilised, and real assets such as gold performed well. At the same time, economic and financial conditions became more uneven, reinforcing the importance of diversification and maintaining investment discipline through volatility.

The rally in both gold and equities since Liberation Day is unusual and deserves scrutiny. Explanations abound for the powerful momentum in both markets, from excess liquidity, inflationary growth and weak dollar dynamics to the end of trust in fiat currencies.

Gold & S&P500 Index

Source: Bloomberg/Setanta

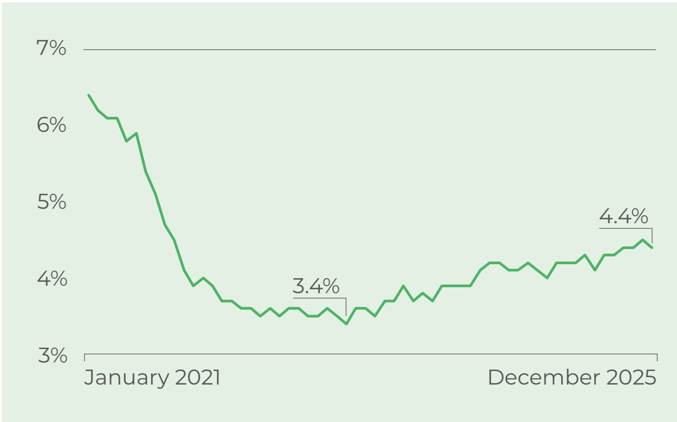
Equity markets continued to rise through Q4, driven largely by a small group of major US technology and artificial intelligence (AI)-related companies – the “Magnificent Seven”.

This concentration became increasingly pronounced, keeping investors concerned about the vulnerability of the tech sector to sudden reversals. While AI investment remains a powerful long-term theme, such narrowing of leadership is a common feature late in market cycles.

The US economy itself exhibited signs of a “K-shaped” dynamic during the quarter. Higher-income households and large corporations continued to benefit from strong asset prices and access to capital, while lower-income consumers and smaller businesses faced rising costs and tighter financial conditions.

This divergence helped explain why equity markets remained resilient even as parts of the real economy slowed. US unemployment has risen by a full percentage point from the lows in 2023, reaching 4.4% midway through the fourth quarter of 2025.

US Unemployment Rate



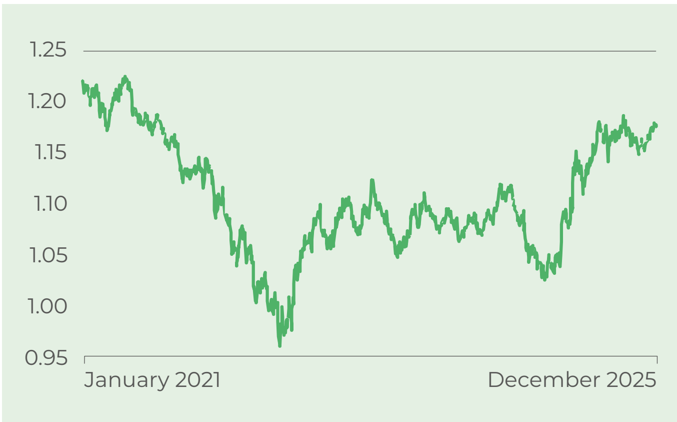
Source: Bloomberg/Setanta

For European investors, currency dynamics played an important role in Q4.

The US dollar, which had been on a downward trajectory during the first three quarters of 2025, continued to weaken over the fourth. This supported global trade and emerging-market assets, but acted as a headwind to euro-based returns on US investments.

The decline in the dollar highlighted the importance of currency awareness and diversification across regions within the portfolio.

USD Versus Euro

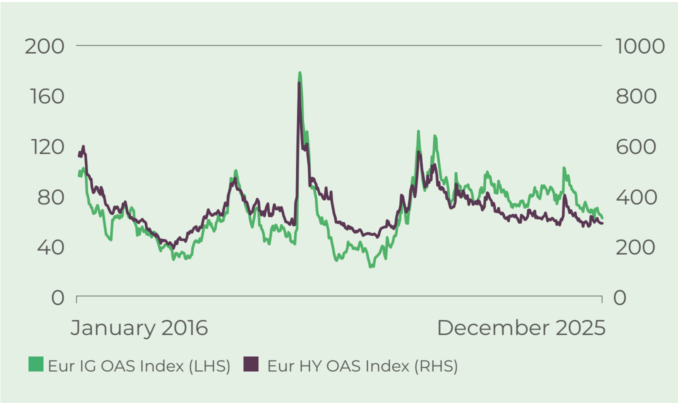


Source: Bloomberg/Setanta

Bond markets delivered positive returns as inflation continued to ease and multiple central banks moved towards a more accommodative monetary policy. The prevailing opinion is that rates are now heading towards neutral and that a fresh round of hikes is unlikely for most major central banks.

Credit spreads trended tighter over the period. Tighter spreads are a signal of investor confidence but also mean limited compensation for risk. Late in the cycle, narrowed spreads can also indicate complacency and reduce the margin of safety for credit investors.

Investment-Grade and High-Yield Spreads

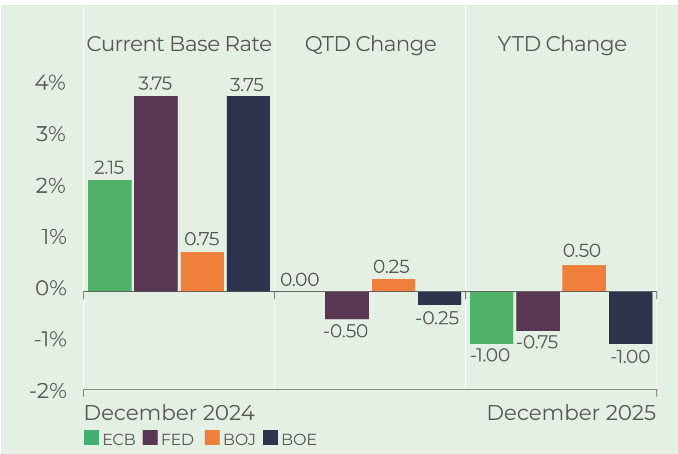


Source: Bloomberg/Setanta

Monetary policy was a key anchor for markets during the quarter. The US Federal Reserve delivered further interest-rate cuts and signalled a shift from fighting inflation to supporting growth as price pressures eased, noting that US unemployment had ticked up during the quarter.

The European Central Bank maintained its easing bias, emphasising that inflation was converging toward target levels. The Bank of Japan, however, was the only major central bank that raised rates over the quarter, hiking its benchmark rate to a 30-year high of 0.75%.

Central-bank Base Rates



Source: Bloomberg/Setanta

Other major central banks, including the Bank of England, adopted a more cautious tone but acknowledged that policy rates had likely peaked.

Collectively, central banks helped stabilise bond markets and supported risk assets, while reinforcing the message that risks to growth were becoming more balanced.

Data Centres, AI Spending and Emerging Risks

Several late-cycle flags became more visible toward year-end. In the US, for example, signs of weakness in the labour market became clearer: unemployment hit a four-year high during the quarter, and job growth also slowed, particularly in technology and cyclical sectors.

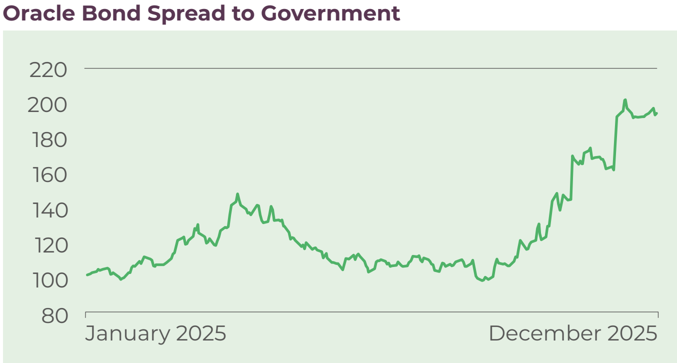
One of the defining investment themes of Q4 was the explosive growth in data-centre investment. Hyperscalers, which provide the massive computing capacity demanded by AI and other digital services, continued to deploy vast sums into AI infrastructure, driving demand for semiconductors, energy and real estate. However, the intense pace of expansion seen in the sector raised questions about the sustainability of AI-linked capital expenditure.

An increasing number of firms relied on debt issuance and structured financing to fund these high levels of capex. This was seen as creating circular dynamics, where strong equity valuations supported borrowing, which in turn funded growth narratives.

For some market observers, this funding story is a cause for additional concern: if AI demand, pricing power or funding conditions weaken, these leveraged capital structures could amplify volatility, given the current extent of equity market concentration.

There is evidence of growing investor caution in the widening of some corporate bond yields within the AI ecosystem. Bond issuance has increased rather than funding from cashflows; cloud provider Oracle, for example, has seen an increase in its cost of funding by close to 1% (100 to 200bps) at the long end of the curve.

Oracle Bond Spread to Government



Source: Bloomberg/Setanta

Political risk was also in the foreground during the quarter. The longest US government shutdown in history took place – lasting 43 days in total – weighing on business confidence and delaying public spending.

While markets largely looked through the disruption, shutdowns tend to amplify volatility and weaken short-term economic momentum. Uncertainty around tariffs persisted throughout the period, as investors anxiously awaited the US Supreme Court's decision on the legality of the levies. An opinion from the Court is expected in January 2026.

Gold remained one of the standout performers of 2025, with a strong showing in the final quarter. Falling real interest rates, geopolitical uncertainty, central-bank buying and currency diversification all contributed to strength in the precious metal. For European investors, gold also provided a hedge against currency volatility.

Against this backdrop, volatility increased but remained manageable. The key to achieving solid returns in stock investing is staying firm in the face of fear and uncertainty. Staying invested, rather than reacting to short-term swings, remains one of the most effective strategies for long-term success.

Conclusions and Outlook for 2026

Q4 2025 reinforced the notion that markets can continue to rise even as risks accumulate. Narrow equity leadership, a K-shaped US economy, tight credit spreads, rapid AI infrastructure build-out and signs of softening in the US labour market all point to a more fragile late-cycle environment.

Fiscal dominance is a growing risk. Some governments have high levels of debt and growing deficits, which could result in central banks being pressured into keeping interest rates artificially low. Such a scenario could have knock-on negative effects on inflation, central-bank independence and economic instability.

If we look to 2026, returns are likely to be more uneven and volatility more frequent. For investors, the most effective response is unlikely to be timing the market but rather thoughtful portfolio construction in line with long-term goals.

> "It is often a long road to quick profits."
>
> Humphrey B. Neill (1871-1977)

A diversified, multi-asset approach spanning equities, bonds and other assets classes – as well as exposure across regions and currencies – remains the most reliable way to manage uncertainty and benefit from sectoral momentum while staying invested for long-term growth.

Negatives to Watch

- Elevated political and fiscal dominance
- Late-cycle market dynamics increasing sensitivity to economic surprises
- Equities dominated by US mega-cap technology stocks
- Stretched valuations in parts of the US growth and AI complex
- Historically tight credit spreads offering limited compensation for risk
- A K-shaped US economy weighing on broader consumer demand

Positives to Consider

- Easing monetary policy from the ECB and other major central banks
- Improved income opportunities across fixed-income markets
- More attractive equity valuations outside the US
- Stronger diversification benefits as market dispersion increases
- A weaker US dollar supporting global liquidity and emerging markets
- AI-driven productivity gains supporting long-term growth trends
- Volatility creating opportunities for disciplined long-term investors

Fund commentary

The SAMA fund performance was solid over the quarter, ranging from 1.3% to 2.2%. All asset classes posted strong returns over the period except for alternatives.

Global equities were the dominant contributor to the fund's performance in Q4, with emerging markets outperforming developed-market equities. The depreciation of the US dollar gave a boost to emerging markets, and countries with large technology sectors benefited the most over the period. AI enthusiasm, solid earnings and easing inflation all supported equity markets.

The ECB kept rates unchanged throughout the quarter as expected. Inflation in the eurozone reached the central bank's target level of 2% in December, while unemployment held steady. German yields rose to ~2.9% as the ECB upgraded its targets for growth and inflation. German bunds are facing supply pressure as the government increases fiscal spending as part of a major programme of infrastructure and defence investment.

US Treasury returns were muted. The yield curve steepened, with yields rising toward the longer end of the curve but falling at the shorter end.

The Fed lowered interest rates by 25bps in both October and December, bringing the federal funds rate to 3.5-3.75%.

Emerging-market debt benefited over the quarter, supported by macro trends, Fed monetary easing, a softer US dollar and domestic inflation risks subsiding.

Listed private equity and global REITS were the fund's only detractors to performance. Although the Fed is in a rate-cutting cycle, interest rates remain elevated and tariff and political uncertainty remain notable headwinds. These factors have created a challenging exit environment for private equity, with many firms delaying IPOs because of market uncertainty.

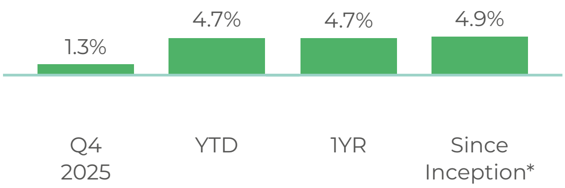
Although global REITs benefited from the two interest-rate cuts by the Fed during the quarter, a range of hurdles – including long-term Treasury yields remaining somewhat elevated, a softening US labour market and persistent inflation above the Fed's 2% target – have created a mixed environment for debt refinancing within capital structures for firms in the sector.

Both the Irish residential property fund and the Irish property fund posted strong returns over the quarter as property values continued to rise.

Fund performance and asset mix

SAMA 3

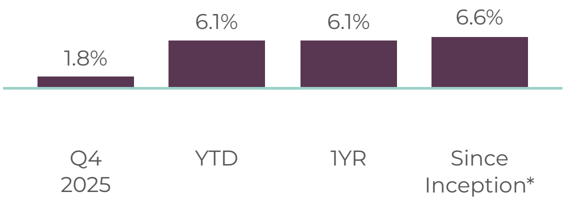
The SAMA 3 Fund offers diversified exposure, including equities, bonds, property, alternatives and cash, with a bias towards bond investments. This fund seeks to provide a lower level of risk and return when compared with the other funds in the SAMA fund range.

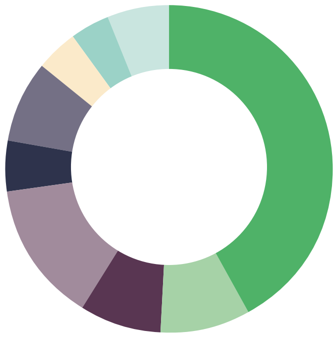


Global Equity	29%
Emerging Markets	3%
Total Equities	**33%**
Euro Government Bonds	19%
Euro Corporate Bonds	21%
Emerging-Market Debt	5%
Global High-Yield Bonds	7%
Cash	5%
Total Bonds & Cash	**56%**
Infrastructure	2%
Private Equity	2%
Property	7%
Total Alternatives	**11%**

SAMA 4

The SAMA 4 Fund offers balanced exposure to equities and bonds. This fund seeks to provide a medium level of risk and return.

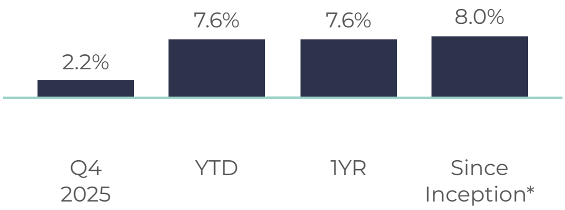


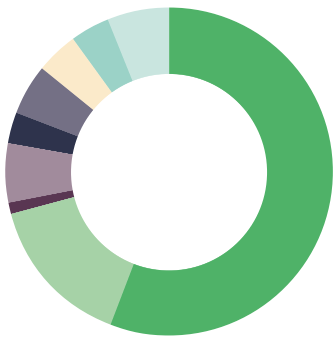


Global Equity	42%
Emerging Markets	9%
Total Equities	**51%**
Euro Government Bonds	8%
Euro Corporate Bonds	14%
Emerging-Market Debt	5%
Global High-Yield Bonds	8%
Cash	0%
Total Bonds & Cash	**35%**
Infrastructure	4%
Private Equity	4%
Property	6%
Total Alternatives	**14%**

SAMA 5

The SAMA 5 Fund offers exposure weighted towards equity investments. This fund seeks to provide a higher level of capital growth.





Global Equity	56%
Emerging Markets	15%
Total Equities	**71%**
Euro Government Bonds	1%
Euro Corporate Bonds	6%
Emerging-Market Debt	3%
Global High-Yield Bonds	5%
Cash	0%
Total Bonds & Cash	**16%**
Infrastructure	4%
Private Equity	4%
Property	6%
Total Alternatives	**14%**

Performance Source: Setanta Asset Management. The actual Fund returns stated are based on the movements in the unit prices of the Fund and are gross of management fees.

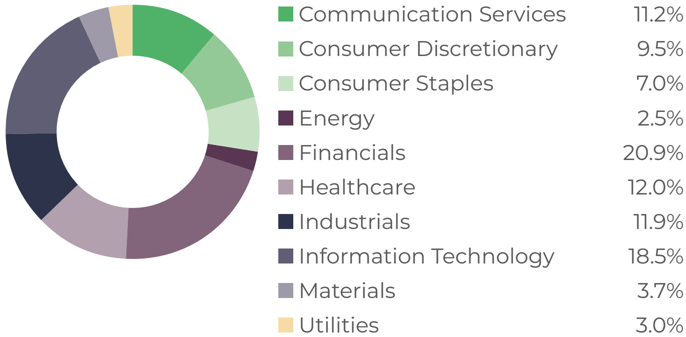
*Fund launch date 24 May 2022. Asset class weightings as at 31 December 2025.

Setanta Global Equity Strategy – the growth engine

The Setanta Global Equity portfolio is the growth engine of our multi-asset funds. The portfolio provides capital growth, as the businesses it is invested in compound in value over time.

The Setanta Global Equity strategy is the flagship equity strategy of the firm, with a strong 20-year+ track record. It is managed by eight portfolio managers, who work as a team and challenge each investment idea as a core part of their investment process.

Sector distribution

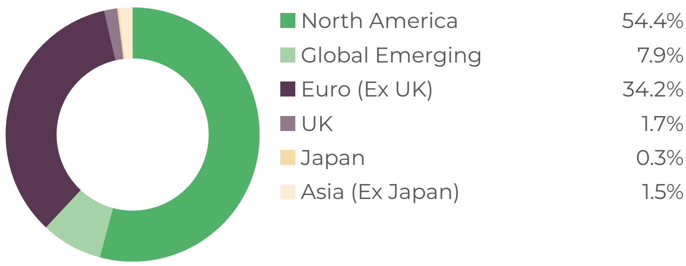


Top 10 equity holdings

Company	Sector	% Of Fund
Alphabet	Communication Services	**4.5%**
TSMC	Information Technology	**4.3%**
Microsoft	Information Technology	**4.1%**
Berkshire Hathaway	Financials	**3.7%**
Meta	Communication Services	**3.2%**
Ryanair	Industrials	**2.9%**
Applied Materials	Information Technology	**2.6%**
Booking Hldgs	Consumer Discretionary	**2.6%**
Marsh & McLennan	Financials	**2.4%**
Nike	Consumer Discretionary	**2.4%**

Source: Setanta Asset Management, as at 31 December 2025.

Geographic distribution



The Global Equity Strategy

Highly selective

We look for good-quality, durable businesses that are out of favour for one reason or another.

Risk averse

We buy conservatively financed companies, which are run by trustworthy management and have a shareholder focus.

Compounding in value

We are diligent and patient investors, expecting the long-term results of the equity portfolio to mirror the growth of the companies within it.

2025 Global Equity Markets: European Outperformance and Shifting Sector Dynamics

2025 was an eventful but ultimately positive year for global stock markets, with the benchmark MSCI World Net Total Return EUR rising 6.8%. Early in the year, the launch of low-cost Chinese AI app DeepSeek caused a wobble in the share prices of AI-related companies. This was swiftly followed by US tariffs, which affected large swathes of the market. However, from that early-April low, the overall market rose strongly to end the year at an all-time high.

Although less pronounced than in the previous two years, the AI theme remained a key driver of overall market returns in 2025 as the major technology and "neocloud" companies increased their capex plans, which, they believe, are necessary to take advantage of the new technology. Investors are split over whether this capital spend will prove to be a money spinner or a money pit.

A less -discussed theme in 2025 was the outperformance of European stocks, which rose circa 20% in euro terms. Asian stocks were up circa 10% and US stocks circa 5%, also in euro terms. By sector, nowhere was the theme more pronounced than in banks: European banks rose circa 75%, a substantial outperformance over US and Asian peers, which were "only" up around 20% (both in euro terms). Other notable European sector outperformers were utilities, industrials and energy, where European stocks beat their US counterparts by >30%, >15% and >15% respectively (measured in US dollar terms). Part of the explanation for European outperformance was US dollar weakness, but the continent's strength may also reflect an expectation of greater investment in the European economy in reaction to a more politically assertive US. It's worth reminding readers that the US weight in the MSCI World benchmark was 46% in 2007; as a result of outperformance, its weight had steadily increased to 72% at year-end 2025.

2025 performance review

The Global Equity portfolio outperformed its benchmark over the 12-month period. This was a satisfying result, as 2025 was generally seen as a very challenging year for active managers.

The fund's technology holdings did well in 2025, especially semiconductor/semiconductor equipment manufacturers Samsung Electronics (+130%, local terms), Applied Materials (+60%) and TSMC (+56%), while investor opinion on Alphabet (+65%) changed from AI loser to winner in the second half of the year.

The fund benefited from being overweight Europe and had some standout performers in 2025, such as Bank of Ireland (+94%, local terms), Ryanair (+58%) and electrical products manufacturer Legrand (+38%).

The fund is also overweight "quality" and thus was impacted by the general weakness in quality stocks. These include European healthcare companies Coloplast (-28% in 2025, local terms), Demant (-19%) and Alcon (-17%), and insurance broker Marsh McLennan (-11%). Some of these firms are facing modest cyclical pressures and have consequently been marked down by investors. However, we remain confident that their durable superior fundamentals will be rewarded over the medium and long term.

The following is a list of the largest positive contributors to the portfolio's gross performance in the year:

2025 Top 5 Contributors to Performance	Sector	Performance (local terms)
Oracle	Information Technology	**18%**
Samsung Electronics	Information Technology	**130%**
TSMC	Information Technology	**56%**
Ryanair Holdings	Industrials	**58%**
Applied Materials	Information Technology	**60%**

Oracle has been a long-held stock in the fund and has rewarded us well, especially in the last three years. The company's cloud offering has become a major growth driver – in September, Oracle announced that the value of its contracted revenue yet to be recognised had risen to a staggering $455bn, from $138bn the previous quarter, causing the stock to spike +36% on the day (even higher intraday). At that elevated share price, we believed the stock's risk-reward was less favourable and that the market was placing a high valuation on the cloud business where the economics were hard to determine and counterparty risk (e.g. high exposure to the loss-making OpenAI) was a consideration. We therefore cut back our holding in the stock significantly. This proved a very well-timed sale; the stock fell 31% (local currency) in Q4 as the market began pricing in some of the above-mentioned risks. The locked-in gains from the first nine months ensured that Oracle was the fund's largest positive performance contributor over the year.

The fortunes of **Samsung Electronics** cut sharply positive in 2025, following a period of underperformance between 2021 and 2024. The company is known the world over as a maker of mobile phones and household appliances, and its value predominantly comes from its manufacture of memory chips. SK Hynix, which pioneered high-bandwidth memory (HBM), is the market leader in HBM, followed by Micron, while Samsung has up to recently been a laggard. This, however, is changing, and Samsung is expected to take a greater share of HBM from 2026 onwards. In anticipation of this and the memory industry's general tight supply, Samsung's stock price rose 130% (local currency) in 2025, including a 44% gain in Q4.

TSMC continued to go from strength to strength. Its 2025 revenue and profits are expected to have risen 35% and 45% (In US dollar terms), respectively, with both expected to rise by around 20% in 2026. In Q4 the company announced it had begun mass production of 2nm chips, which will offer customers 25-30% better power efficiency versus 3nm chips, widening its lead over competitors, who are struggling to ramp up.

Applied Materials designs, manufactures, sells and services semiconductor-fabrication equipment. The AI boom is leading to demand for its products, notably from HBM chip manufacturers (mentioned above), where Applied Materials is a leader. It is also in a strong position to benefit from the broader industry shift toward 2nm production, where several of its products are used, and from its leading positions in the Gate-All-Around manufacturing architecture. The stock rose 27% (local currency) in Q4, topping a fine 60% over the year.

Ryanair is Europe's leading low-cost airline. We believe the company has a sustainable cost advantage over peers thanks to its scale, a lower-cost fleet (modern, larger and more fuel-efficient planes) and lower labour costs (flexible work practices). In November, management raised its passenger growth forecasts (more aircraft deliveries) and said that fare pricing had improved. The stock rose 20% (local currency) in Q4.

In the next table are the largest detractors to fund performance, followed by stock comments.

2025 Bottom 5 Contributors to Performance	Sector	Performance (local terms)
Marsh & McLennan	Financials	-11%
PayPal Holdings	Financials	-31%
DCC Plc	Industrials	-6%
UnitedHealth Group	Healthcare	-33%
Dassault Systemes	Information Technology	-19%*

*Performance during fund ownership period (from Q3:25)

Marsh McLennan is an insurance broker (Marsh and Guy Carpenter) and consultant (Mercer and Oliver Wyman). We acquired a position in the stock just over a year ago. The business has very attractive features, including low customer churn and fairly predictable and growing demand for its services. It's also an asset-light business, allowing the company to return a majority of profits to shareholders and use the remainder to make acquisitions. Organic growth slowed during 2025, primarily because of softening insurance pricing and lower spend by clients due to geopolitical/economic uncertainty, causing investor disappointment. The stock has derated and now trades at its lowest valuation in almost a decade. While we are considering how the company could be disrupted by AI, we believe this risk to be low and rather think it's a case of "quality on sale". We added modestly to the position in Q4.

PayPal is a leading global payments company, with a particular strength in ecommerce. Although group revenues and profits have grown at a respectable 7% and 20% annualised rate between Q1 2023 (first purchased for fund) and Q3 2025 (last reported numbers), and shares outstanding have reduced by -15% over the period, the stock has been a poor performer. The market's concern is that despite a new management team and increased investment in technology, products and branding, PayPal is gradually losing market share and relevance, which lessens its negotiating power with retailers. We are also concerned and halved our position in Q4, despite the obvious attraction of a low valuation (around 10x forecast 2026 profits). We will continue to monitor the company's progress with a critical eye.

DCC is a distributor of energy, technology and healthcare products, One of DCC's historic strengths was its ability to acquire smartly, notably in its largest energy division (distribution of liquefied petroleum gas and home heating oil), where it has a clear ability to achieve acquisition synergies through lower procurement and operating costs than small, local players can achieve. A few years ago, management decided to allocate more capital to its technology and healthcare divisions. These businesses are fundamentally less attractive as they are subject to more competition and acquisition synergies are not as clear. These initiatives have pressured group profitability, and in late 2024 management announced a plan to focus solely on energy, which we applaud. Proceeds from the sales of the healthcare (completed in 2025) and technology (expected in 2026) businesses are disappointing and have weighed on the share price. We expect a low valuation and the refocusing on the energy business to put the shares back on an upward path.

The fund has been invested in **UnitedHealth** for many years, and this has been a highly profitable investment despite a very poor showing in 2025. To recap, UnitedHealth is the largest health insurance company in the US. Over the years, management delivered strong growth in insurance profits and expanded its service arm, Optum, essentially to cross-sell services into its insurance customer base. This expansion had proven to be a highly profitable strategy. However, UnitedHealth has encountered challenges in both its insurance operations and Optum over the past year or so. As a result of these pressures, the CEO and CFO departed. The new management team, led by former CEO Stephen Hemsley, seems confident that Optum can recover lost ground, a view with which we concur. However, our confidence in this scenario has diminished somewhat, reflecting government-led changes that have created headwinds for the business model. Reflecting this incremental concern, we reduced the position in UnitedHealth and created a new position in **Elevance Health Inc.**

Elevance is the second-largest US health insurance company. The company has a really good track record, underpinned by strong local market positions. It too has suffered from profit-margin deterioration in the past year or so, but as in the case of UnitedHealth, we believe price increases and benefit adjustments will lead to improvements in the coming years. Elevance has only begun to expand its services business in more recent years and so is less vulnerable to pressure on profitability from government-instigated reforms that could impact value-based care operations. Therefore, this partial switch to Elevance diversifies risk without compromising upside potential.

The share price of **Dassault Systemes** continued to fall after we began building our position just after mid-year. Dassault has a stable of strong product offerings in the design & build and product lifecycle management software niches. Dassault's revenue growth rates have slowed from 9% in 2023 to an expected 4% for 2025. Many of the end markets that Dassault sells into are suffering from what might be termed a "post-Covid hangover". Industries such as autos, retail, healthcare and consumer products have been struggling for volume growth in the last two years. In this environment, it is difficult for software suppliers like Dassault to increase pricing, and deals are slow to close. We are more optimistic about the longer-term picture for Dassault. A typical manufacturing company is at a competitive disadvantage if they don't use design & build tools like Dassault's Catia and Solidworks. These software tools are increasingly used to develop, build and continuously monitor production of goods. We are hopeful that the post-Covid slump in manufacturing end markets will give way to a new period of design-led innovation. Dassault should be well positioned if and when this materialises.

Portfolio activity

Overall, in 2025, there was a lower-than-usual level of activity in terms of new stocks added and stocks sold from the portfolio.

In Q4 we added two new healthcare stocks, Elevance Health and Novo Nordisk; the background and rationale for adding Elevance has been discussed already. In the industrials, energy & materials sector we switched into WW Grainger from Viscofan.

We have followed **Novo Nordisk** for many years, but our focus intensified in recent years with the launch of the newest generation of GLP-1 medications from both Novo and Eli Lilly. GLP-1 medications were first launched around 20 years ago to treat type 2 diabetes. These drugs also suppress appetite, and the newest, most potent versions have proven highly effective in helping overweight and obese patients to lose weight. The Setanta team discussed the Novo investment case in detail in 2023, but we felt the valuation was too high, so we continued to monitor developments from the sidelines. However, since then, Novo has lost market share to Eli Lilly. This is due in our view, to a number of factors, including commercial execution. It resulted in a few profit warnings, and earnings expectations for Novo have been reset dramatically lower. The share price fell by about 70% from its peak of over DKK1,000, and we began buying the shares in late 2025. We believe that there remains considerable profit potential for this class of drugs. New products, and what appears to be a sharper commercial strategy, give Novo the opportunity to regain traction in this market in the coming years.

WW Grainger is a broadline distributor of maintenance, repair and operating (MRO) products, with operations mainly in North America. While subject to cyclical swings, end-market demand tends to be relatively resilient given the non-discretionary element of many MRO products. Grainger primarily targets larger customers, helping them to reduce the total cost of procurement by reducing search time for parts, optimising inventory and offering technical advice and onsite services. We believe Grainger can continue to outgrow the MRO market, with the possibility of some operating-margin gains from scale leverage. In our opinion, the company's above-average business fundamentals justify the stock's low-20s P/E valuation.

Viscofan is the global leader in the manufacture of sausage casings, with an estimated global market share of 25-30% and twice the revenues of its nearest competitor Devro. Quality, scale, global reach and diversification all go towards explaining Viscofan's superior financial track record.

In Q4, a negative report was issued by Hunterbrook Media, a firm with a link to a "short selling" hedge fund. The report alleges a pattern of severe environmental and safety violations at a Viscofan plant in Illinois, USA, and suggests that high rates of cancer in the area are linked to the plant. The company rejects Hunterbrook's claims and highlights the plant's safety record and investments made upgrading the plant in recent years. While we are suspicious of Hunterbrook's motivations (short sellers are incentivised to invent or exaggerate negative news), there is a risk that the story takes hold and class-action suits emerge. It could take Viscofan a long time to clear its name, which may weigh on the stock for years. We deemed this an unfavourable risk-reward equation and exited the stock.

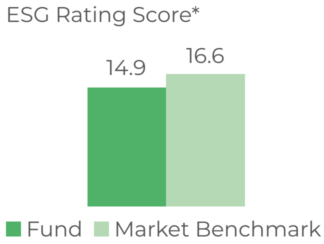
Sustainability

Setanta considers the environmental, social and governance (ESG) impacts of the companies invested in through the Setanta Active Multi-Asset Fund Range. Setanta seeks to influence the behaviour of these investee companies by actively engaging with them. Setanta believes that companies that are actively engaged with are more likely to address their ESG risks, which can reduce portfolio risk and deliver more sustainable long-term outcomes for clients.

Setanta integrates ESG factors into its research process for the Setanta Active Multi-Asset Fund Range. When it believes that ESG factors are material to its investment decisions, it addresses them in its research reviews and engagements with the relevant investee companies. Setanta is currently a signatory to the UN-supported Principles for Responsible Investment (UNPRI).

Overall ESG Risk Rating

The Environmental, Social & Governance (ESG) Risk Rating measures the degree to which a company's economic value is at risk due to not considering ESG factors using a calculation of the company's unmanaged ESG risks.

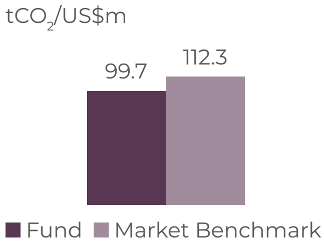


ESG Risk Rating Scores for investee companies are obtained from Morningstar Sustainalytics ("Sustainalytics"). Sustainalytics defines ESG Risk Rating as the "degree to which a company's economic value is at risk driven by ESG factors, as assessed through Morningstar Sustainalytics' calculation of the company's unmanaged ESG risks. Companies are placed into one of five risk categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a "high risk" assessment reflects a comparable degree of unmanaged ESG risk across the research universe, whether it refers to an agriculture company, a utility or any other type of company. Companies with lower Risk Ratings scores have lower ESG risk.

Negligible	Low	Medium	High	Severe
0 – 10	10 – 20	20 – 30	30 – 40	40+

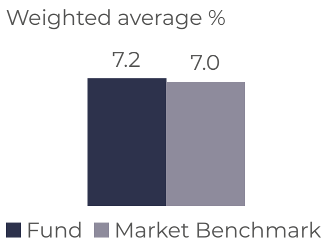
Carbon intensity

Carbon intensity is a metric used to compare company emissions across industries. The absolute emissions are divided by total earnings with the figure expressed in tonnes of carbon dioxide equivalent per million USD of total earnings.



Fossil fuel

Fossil fuel involvement measures the percentage of earnings that companies get from thermal coal extraction, coal-based power generation, oil, and gas production, oil and gas-based power generation and oil and gas related products and services.



ESG Metrics based on P-SAMA4 Fund only. *A lower score indicates a lower level of unmanaged ESG risk and potential risk to the economic value. Note: ESG Risk Scores and Carbon Metrics are currently calculated for Shares and Corporate Bonds only. Information correct as of 31 December 2025.

Key advantages of the fund range

Actively managed

Clear and consistent investment philosophy, high-conviction approach

Value approach

Discipline and patience allow us to take advantage of mispriced opportunities.

SFDR Categorisation

Article 8 Multi-Asset fund range

Global equity engine

Level of exposure consistent with risk rating of each fund

Investment expertise

Highly experienced, stable and award-winning investment team

Risk rated

Generate long-term capital growth within the appropriate risk parameters

DISCLOSURE INFORMATION

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Signatory of:

PRI Principles for Responsible Investment

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES