

OBJECTIVE

The objective is to provide capital growth, with the potential for income, over any 3-year period.

KEY FACTS

Investment Manager	GWA Asset Management Limited
Comparator	IA Mixed Investment 0-35% Shares
Fund Size	£121,460,633
Launch Date	19 June 2023
Share Class	MGTS Qualis Defensive I Acc
ISIN	GB00BQ66LH78
OCF	1.020%
Yield	3.430%

MARKET COMMENTARY

September brought a sharp sell-off in government bonds and increasing pressure on corporate credit. The UK 10-year gilt yield ended the month at 5.4336%, while the US 10-year Treasury yield finished 5.296%, having risen approximately 0.53% points during September. This was a substantial repricing of borrowing costs, with significant implications for bond valuations and wider financial conditions.

Credit markets also weakened towards month end. Between 23rd and 29th September, US high-yield credit spreads widened from 273 to 308 basis points, while investment-grade spreads increased from 77 to 84 basis points. Corporate bonds therefore faced pressure from both rising government yields and the additional compensation investors demanded for credit risk.

The fund declined by 0.69% during September, compared with a fall of 1.13% for the IA Mixed Investment 0–35% Shares sector, outperforming by 0.44%.

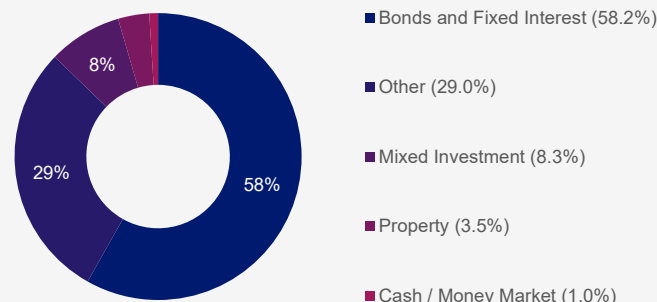
We believe this relative resilience supports the portfolio's diversified approach. Actively managed bond strategies sit alongside defensive capital investments and alternative return sources, including long/short equity strategies. This combination reduces dependence on falling interest rates or government bonds consistently providing protection during periods of uncertainty.

Our attention is increasingly focused on credit spreads as an early indication of financial stress. We are monitoring whether recent widening remains an orderly adjustment or develops into contagion across borrowers, funding markets and other asset classes. The speed and breadth of deterioration matter alongside the absolute level of spreads.

Higher yields improve the income available on new investments, but they do not compensate automatically for further price declines or weakening credit quality. Our priority remains to manage interest-rate exposure, credit risk and liquidity together, preserving complementary sources of return through a demanding environment.

Fund Manager
Andrew Alexander

ASSET ALLOCATION



PORTFOLIO HOLDINGS

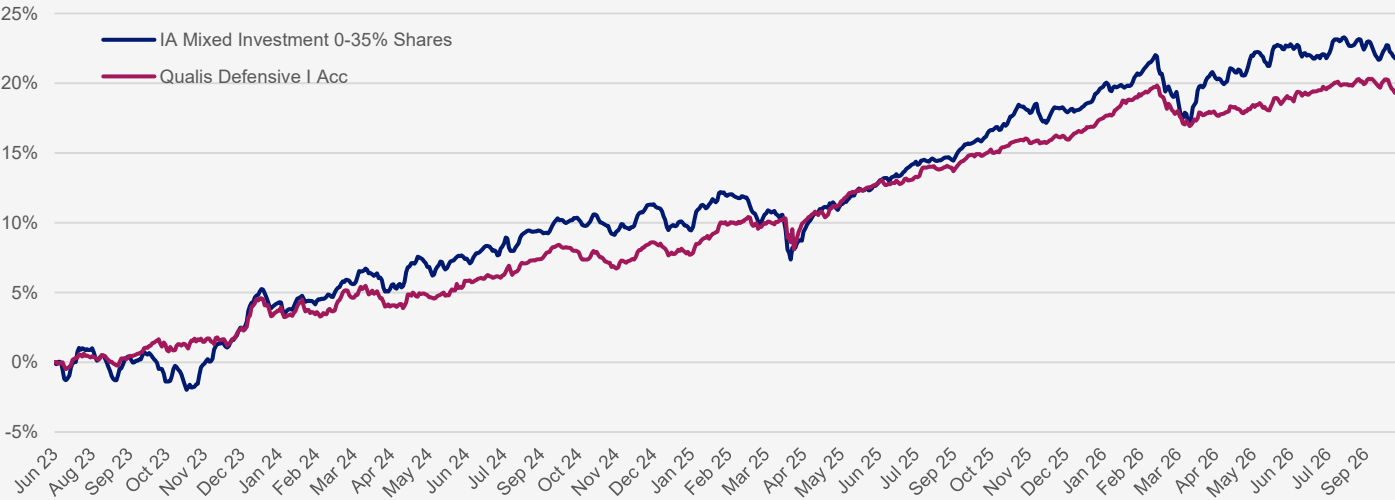
Targeted Absolute Return	37.96%
SVS RM Defensive Capital Fund C GBP Acc	9.19%
Royal London Diversified ABS Fund Z Acc	8.93%
YFS Argonaut Absolute Return I GBP Acc	7.43%
YFS Kernow Equity Navigator Fund - Accumulation	5.02%
M&G Global Target Return Fund GBP L Acc	4.97%
Artemis Atlas F GBP Acc	2.41%
£ Strategic Bond	18.82%
Man Dynamic Income IF H GBP Acc	7.72%
Aegon Strategic Bond Fund GBP S Acc	5.70%
L&G Dynamic Bond I Acc	4.40%
SVS RM Infrastructure Bond Fund F Class Acc	1.00%
Other Bond	13.44%
Nomura Funds Ireland Corporate Hybrid Bond Fund F	7.41%
iShares Broad \$ High Yield Corp Bond UCITS ETF GBP	6.03%
UK Gilts	8.04%
iShares Core UK Gilts UCITS ETF GBP (Dist)	8.04%
£ Corporate Bond	7.50%
Man GLG Sterling Corporate Bond Fund Institutional	7.50%
Global	5.31%
Man Global Credit Value ILF H GBP Acc	5.31%
Property	3.51%
L&G UK Property I Acc (PAIF)	3.51%
Specialist	3.00%
Janus Henderson Diversified Alternatives Fund I	3.00%
Global Mixed Bond	1.43%
Guinness Global Dynamic Bond Fund Class F GBP	1.43%
Deposits	0.99%
GBP Cash	0.99%

PERFORMANCE

The IA (Investment Association) Mixed Investment 0-35% Shares Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is expected to have a similar risk profile to the Sub-fund. 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.

Cumulative Performance	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Qualis Defensive I Acc	0.29	2.02	3.81	17.73	-	-
IA Mixed Investment 0-35% Shares	-0.88	3.83	4.84	22.27	11.30	29.40

Discrete Performance	YTD	2025	2024	2023	2022	2021
Qualis Defensive I Acc	2.10	8.28	3.24	-	-	-
IA Mixed Investment 0-35% Shares	2.62	8.02	4.37	6.06	-10.22	2.57



Source: Morningstar Direct as at 30 September 2026. Performance is bid to bid with income reinvested.
Past Performance is no guarantee of future performance and investors may get back less than the original amount invested.

IMPORTANT INFORMATION

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