

Managed Portfolio Service

Passive MPS 6

As at 31 December 2025

Market commentary:

The fourth quarter concluded a broadly positive year for markets, particularly for riskier asset classes such as equities. In contrast to the summer, the prevailing AI narrative shifted somewhat; however, just as sentiment appeared to wane, corporate earnings provided renewed optimism.

Markets, for the most part, endured the second-longest US Government shutdown on record. The resulting patchy economic data from the US made it somewhat difficult to ascertain underlying trends. Nevertheless, the Federal Reserve saw enough in the employment data to lower rates decisively, delivering two further cuts before year end.

After inflation in the UK hovered at nearly double the 2% target during the summer months, it subsided to 3.2% by November. This enabled the Bank of England to implement a final rate cut in December, which supported gilts across the curve, as did the smooth passage of the UK Budget. A similar trend in inflation was observed in the US, following a gap in coverage due to the Government shutdown. US inflation eased to 2.7% in November, allowing the Fed to focus on the employment aspect of its mandate.

Corporate bonds enjoyed another positive quarter, ending 2025 on a strong note. Credit spread compression and higher starting yields helped them outperform government bonds this year. Consequently, those segments of the bond market carrying greater risk, such as high yield bonds, proved to be more attractive allocations in 2025.

Despite headlines highlighting US markets reaching all-time highs, returns in sterling terms were comparatively muted over 2025 due to the weakness of the US dollar. In the fourth quarter, US market returns were supported by Alphabet's rise to challenge Nvidia in AI chip design, while the latter remained steady. The healthcare sector performed well after leading companies reached drug pricing agreements with the US Government. UK and European equities were also buoyed by financials, with healthcare stocks performing strongly. The UK market additionally benefited from the

materials sector, which rallied on the back of rising precious and industrial metal prices.

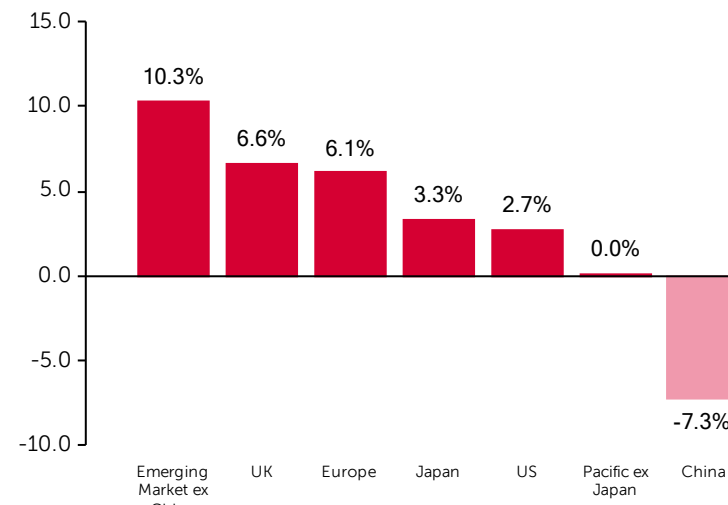
Emerging markets ex China continued their rally in the final quarter of 2025 as the AI theme and its supply chain attracted attention. Technology-heavy markets such as South Korea and Taiwan benefited, while Chinese equity markets and their AI leaders declined, reflecting their underlying reliance on consumer spending amid weaker economic data.

Looking ahead, AI is likely to remain a key theme, particularly for markets heavily exposed to the technological development and supply chains. As 2025 demonstrated, other themes across markets may attract less attention but remain significant.

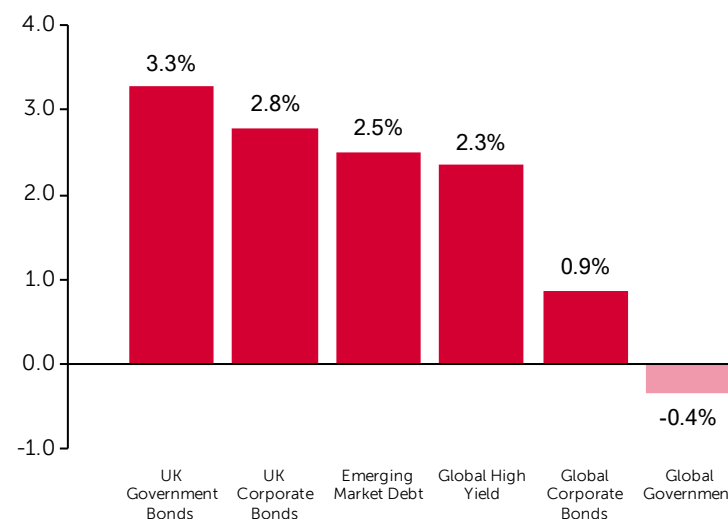
The rise in industrial metal prices towards the end of 2025 prompts questions about our position in the global economic cycle and the fragility of supply chains. This, in turn, brings inflationary dynamics back into focus. Despite some short-term relief, we believe there are considerable risks to maintaining inflation in line with central bank targets over the long term.

As ever there is a wide range of possibilities ahead of us, and therefore it is useful to return to one of our core investment principles: diversification. We see a continued need for a strong emphasis on diversification within bond and equity allocations in 2026.

Equity performance - last quarter



Fixed income performance - last quarter



Portfolio commentary

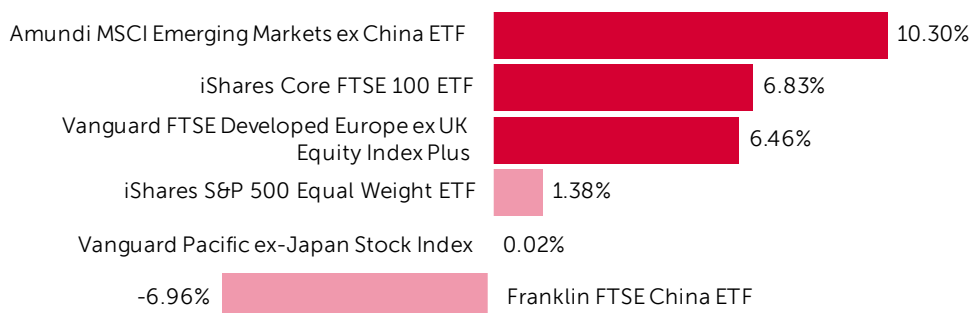
The year ended on a relatively positive note, with most global equity indices delivering positive returns, supported by mega-cap leadership and broad-based sector participation. UK and European markets benefited from strength in Financials, Healthcare and Materials, the latter aided by a late-year rise in industrial metal prices.

In the US, the quarter was marked by speculation around a potential AI bubble; however, a strong set of corporate earnings ultimately underpinned positive returns. For UK-based investors, these gains were more muted in sterling terms due to the depreciation of the US dollar. Japan, another technology-heavy market, experienced political uncertainty in November, though equity prices subsequently recovered.

Elsewhere, China, although one of the strongest performers in recent quarters, suffered losses during Q4. These were more than offset by Emerging Markets ex-China, which continued to benefit from strength in the technology supply chain, particularly in South Korea and Taiwan, making this the strongest-performing allocation within the portfolio.

Overall, Passive MPS 6 rose by 4.97% over the quarter and delivered a return of 20.19% for the full year 2025.

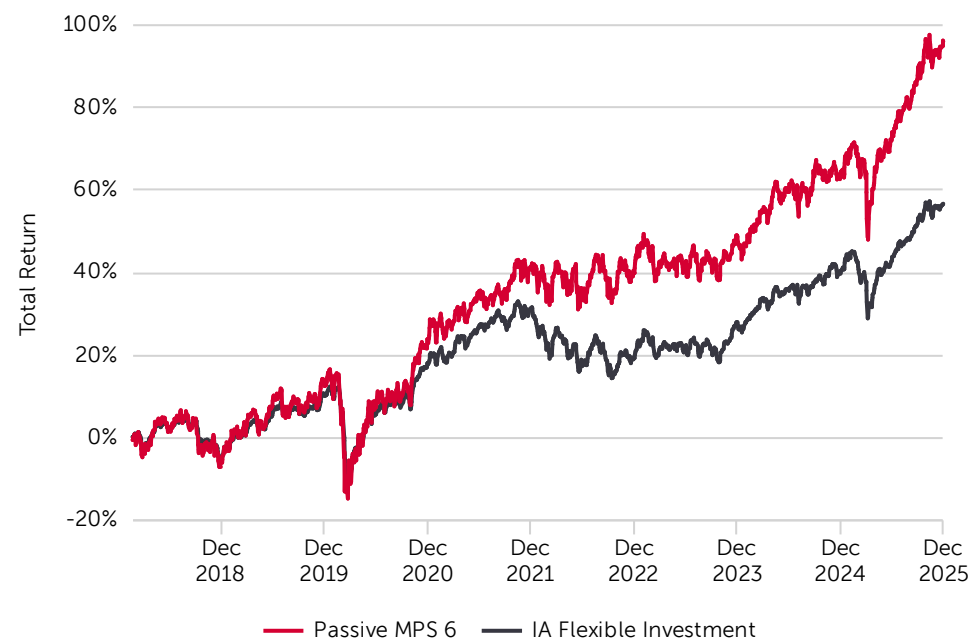
Q4 2025 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
Passive MPS 6	4.97	13.98	20.19	40.04	59.37	96.05
IA Flexible Investment	3.25	9.70	12.11	31.32	32.92	56.69

The above table displays the total return of the fund on a cumulative basis. This is taken from the most recent month end.



Past performance is not indicative of future performance. The value of investments may go down as well as up and the income generated by investments is not guaranteed and may fluctuate. You may receive back less than the amount that you invested.

Passive MPS 6

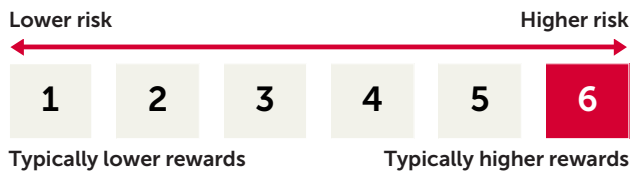
As at 31 December 2025

Portfolio snapshot

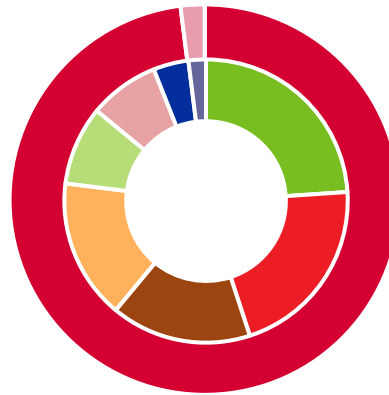
Number of holdings	10
Inception date	19 Feb 2018
Underlying OCF	0.09%
Annual Investment Management Charge	0.15%
Indicative Total OCF	0.24%

Top 10 holdings

Holding	Weight (%)
Amundi MSCI Emerging Markets ex China ETF	21.00
iShares Core FTSE 100 ETF	19.00
SPDR S&P 500 ETF	14.00
Vanguard FTSE Developed Europe ex UK Equity Index Plus	11.00
Amundi Prime Japan ETF	9.00
Franklin FTSE China ETF	8.00
Vanguard FTSE 250 ETF	5.00
Xtrackers S&P Europe ex-UK ETF	5.00
Vanguard Pacific ex-Japan Stock Index	4.00
Cash	2.00

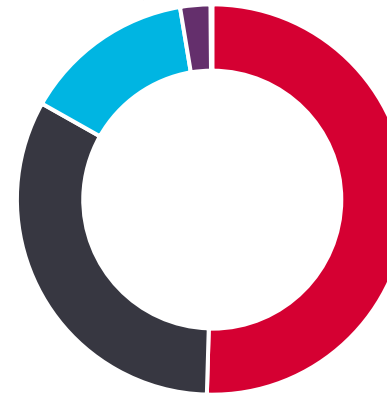


Asset allocation (%)



Equity	98.00
UK equity	24.00
Emerging markets ex-China equity	21.00
Europe ex-UK equity	16.00
North America equity	16.00
Japan equity	9.00
China equity	8.00
Asia Pacific ex-Japan equity	4.00
Cash	2.00
Cash	2.00

Equity breakdown (%)



Market Cap Group	
Giant	50.44
Large	32.73
Mid	14.18
Small	2.52
Micro	0.13

Equity breakdown (%)



Sector	
Financial Services	21.68
Technology	17.29
Industrials	13.43
Consumer Cyclical	10.04
Healthcare	8.68
Consumer Defensive	6.85
Communication Services	6.55
Basic Materials	5.63
Energy	4.30
Utilities	3.19
Real Estate	2.36

Indicative Total Ongoing Charges Figure (OCF) is inclusive of the AJ Bell Investments Annual Management Charge (fee of 0.15%) and the ongoing charges of underlying investments. MPS transaction costs reflect the aggregated transaction costs reported by underlying products. In some instances products may deploy pricing mechanisms which can result in negative costs. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. There is no set minimum investment into the MPS, however, the structure of the underlying investments means that the portfolios work more efficiently for investments above a certain size. For this MPS, this is around £25,000.

Due to its multi-asset nature, no financial instrument or index represents a fair benchmark for the portfolio. However, to give context and enable an objective assessment of the portfolio's performance, the IA Flexible Investment is included for reference. The portfolio does not aim to track the IA sector as a benchmark. Performance is calculated on a net of fees basis.

Performance reflects the headline model and includes the underlying costs of the holdings and the annual investment management charge. It does not include any transaction costs that would have been incurred through rebalancing or changing any underlying holdings. This model was launched on 19 February 2018. Cash performance is measured using the AJ Bell Investcentre platform interest rates.

Allocation and performance information contained in this document is representative of the standard Passive MPS 6 model held on AJ Bell Investcentre. The implementation of this model may vary when held via other platforms, for example, where access to certain share classes is restricted. This may lead to differences in allocation, performance and cost.

Based on target weights at portfolio rebalance. Totals may not sum to 100% due to rounding.



Past performance is not indicative of future performance. The value of investments may go down as well as up and the income generated by investments is not guaranteed and may fluctuate. You may receive back less than the amount that you invested.

This information is for indicative purposes only and is not intended, and should not be construed, as investment advice. The information contained in this document has been taken from the sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted or guaranteed to be wholly correct. The views and opinions expressed in this document are not forecasts or recommendations in relation to investment decisions. The information and data presented in this document were believed to be correct at the time of writing and we are not liable for any subsequent changes.

©2025 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/ or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The market capitalisation classifications in this report are based on a tiered methodology developed by Morningstar. Market capitalisation is the total value of a company's shares on the stock market. Under this method, giant-cap shares make up the top 40% of total market value; large-cap shares represent the next 30%; mid-cap the following 20%; small-cap the next 7%; and micro-cap the remaining 3%. These classifications are for analytical purposes only and may differ from other industry definitions.