



AJ Bell Funds Quarterly Reports

As at 31 March 2026



Contents

VT AJ Bell Income Fund

VT AJ Bell Income & Growth Fund

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Market commentary:

March was dominated by the outbreak of conflict in Iran, which caused significant market upheaval and brought an abrupt end to what had been a broadly positive start to the year. Rising geopolitical risk had already been a defining feature of the early months of 2026 – first with the US intervention in Venezuela, and then with President Trump’s posturing towards Greenland – but the escalation in Iran swiftly eclipsed both to command global attention.

The principal channel through which the conflict has affected markets and the wider global economy is oil prices. Initial market reaction centred on the implications for inflation; however, as the conflict has dragged on, the consequences for economic growth have increasingly been reflected in forecasts.

Bond markets have faced a challenging reversal in 2026. Expectations of inflation returning to 2% targets have required meaningful upward revision in light of sharply rising oil prices, and central banks have responded with a notably hawkish tone – moving swiftly to convince markets of their willingness to raise interest rates decisively. This has prompted a broad repricing across fixed income. Whilst the most pronounced volatility and yield rises have been concentrated at the shorter end of the yield curve, it is longer-dated bonds that have delivered the weakest total returns.

Equity markets have been volatile throughout the quarter, responding to an unpredictable flow of news regarding the trajectory and potential escalation of the conflict. Whilst most markets have felt its effects, first-quarter returns have also been shaped by how individual markets were positioned heading into the crisis.

In the US, a softer start to the year somewhat obscures what has been a degree of relative resilience since the conflict began. Japanese equities delivered strong gains after a decisive election result provided a clear mandate for the continuation of economic reform. Within emerging markets,

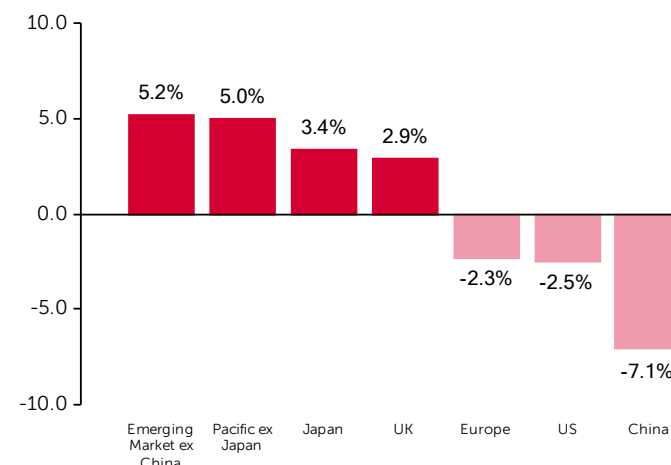
South Korea has been a standout performer, benefiting from growing appreciation of its role within the AI supply chain. Closer to home, UK equities have outperformed, supported by the market’s heavyweight exposure to the energy sector, with the major oil companies buoyed by rising crude prices.

As with any event that dominates market attention, the range of potential outcomes is wide and largely contingent on political decisions that are, by their nature, difficult to forecast. Scenarios span from a relatively swift de-escalation – which would provide immediate relief to risk assets and take pressure off energy prices – through to a prolonged conflict that continues to weigh on growth expectations and keeps central banks in a difficult position. The latter would present the more challenging environment to navigate: one in which policymakers face the unenviable task of responding to inflation driven by factors largely outside their influence, whilst simultaneously managing the risk of tipping economies into recession.

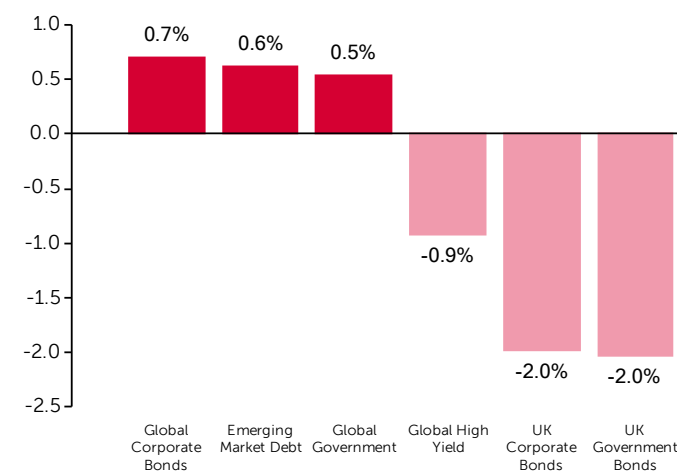
In the near term, oil prices are likely to remain the key variable for both inflation dynamics and market sentiment. Beyond energy, however, the conflict has reinforced a broader reassessment of supply chain vulnerabilities, defence spending trajectories, and energy security – themes that are likely to shape investment narratives well beyond the immediate volatility.

Ultimately, against a backdrop of elevated geopolitical and event risk, ensuring that portfolios are resilient across a range of scenarios – and positioned to deliver an appropriate journey for clients – feels more important than ever.

Equity performance - last quarter



Fixed income performance - last quarter



CG AJ Bell Income

As at 31 March 2026



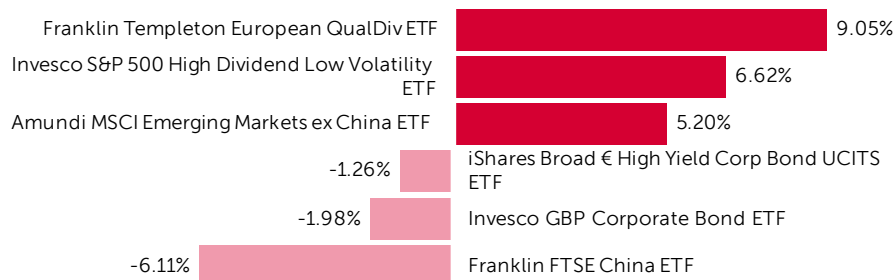
Portfolio commentary

The AJ Bell Income fund's blend of dividend-paying stocks and income-generating bonds made for a mixed but ultimately positive quarter, with a 0.97% return.

Over one quarter of the fund is invested in bonds, which meant the shift from anticipated interest rate cuts to potential hikes made a significant impact. Bond prices generally fell in response to higher inflation expectations driven by the US-Iran war; however, our holdings are mostly in shorter-term bonds, which are less sensitive to rate moves. Cash also contributed to the return. In the meantime, we invested more in short-dated bonds as yields have become more attractive of late.

On the stocks and shares side, while the US struggled, the UK was a strong contributor. BP and Shell benefited from the energy squeeze, and the UK market's inclination to dividend-paying companies helped the fund. The fund has been able to continue its monthly income distribution, and our focus on quality income-generating assets across the portfolio keeps us well-positioned.

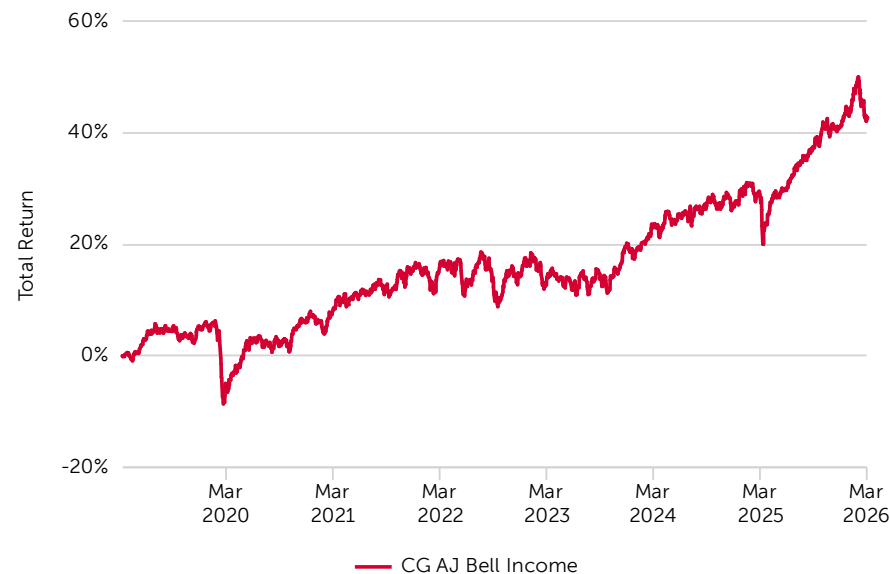
Q1 2026 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
CG AJ Bell Income	0.97	3.94	12.01	25.14	31.64	42.72

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.

CG AJ Bell Income

As at 31 March 2026



Portfolio snapshot

Number of holdings	25
Inception date	08 Apr 2019
Fund size	£66.84m
ISIN	(I Acc) GB00BH3W7446

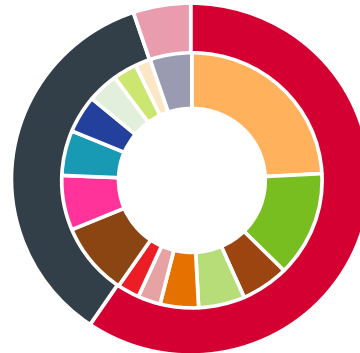
Top 10 holdings

Holding	Weight (%)
iShares Core FTSE 100 ETF	13.34
Invesco S&P 500 High Dividend Low Volatility ETF	12.31
Fidelity US Quality Income ETF	11.85
US inflation-linked treasuries (GBP hedged)	6.66
Invesco GBP Corporate Bond ETF	5.72
Fidelity Emerging Markets Quality Income ETF	4.76
Vanguard FTSE Japan ETF	4.09
iShares £ Ultrashort Bond ETF	3.91
iShares ESG Overseas Corporat Bond Index	3.87
State Street Emerging Markets Hard Currency Government Bond Index	3.24

Risk profile

For investors who can tolerate short-term dips in portfolio value and understand the importance of investing for the long term to help in achieving higher overall returns. The portfolio invests in funds and exchange traded funds (ETFs), using a defined strategic asset allocation process to deliver returns while meeting the targeted level of risk.

Asset allocation (%)



Equity	59.49
North America equity	24.16
UK equity	13.34
Europe ex-UK equity	5.93
Japan equity	5.74
Emerging markets equity	4.76
China equity	2.82
Emerging markets ex-China equity	2.73
Fixed Income	35.31
Global government bonds (GBP hedged)	9.19
Global high yield bonds (GBP hedged)	6.92
UK corporate bonds	5.72
Emerging market debt	4.71
Global corporate bonds (GBP hedged)	3.87
UK index-linked gilts	2.96
UK government bonds	1.93
Cash	5.20

Fixed income breakdown (%)



GBP Bonds	85.01
Global government bonds (GBP hedged)	29.24
Global high yield bonds (GBP hedged)	22.02
UK corporate bonds	18.20
UK index-linked gilts	9.40
UK government bonds	6.14
International Bonds	14.99
Emerging market debt	14.99

Equity breakdown (%)



Sector	Weight (%)
Financial Services	18.94
Technology	13.92
Industrials	9.88
Consumer Defensive	9.42
Healthcare	8.62
Energy	8.27
Consumer Cyclical	7.87
Communication Services	7.40
Utilities	5.77
Real Estate	5.58
Basic Materials	4.33

CG AJ Bell Income & Growth

As at 31 March 2026



Portfolio commentary

Despite the volatility sparked by the US-Iran conflict in March, the AJ Bell Income & Growth fund had a positive quarter.

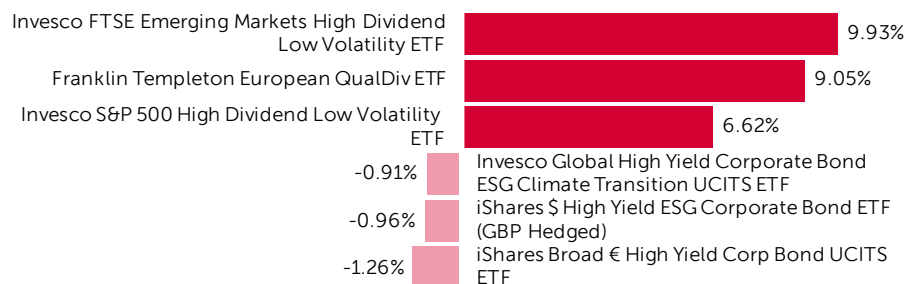
A significant piece of the positive returns was thanks to the UK, home to energy stocks like Shell and BP that benefited from higher energy prices. These companies had strong quarters, but they weren't the only positive players in the UK. Companies in the UK's FTSE 100, which are a main part of the fund's UK holdings, are on track for their highest year of dividend payments on record according to research by AJ Bell.

US equity income holdings faced a more challenging environment, with tech uncertainty along with the US-Iran conflict creating headwinds. However, because the fund is focused on dividend payers rather than growth stocks, it had some protection from the volatility.

The fund's bond allocation, concentrated in high yield bonds, faced pressure from rising rate expectations. The bond environment is constantly changing as interest rate expectations shift, so this is an area we will be watching closely.

Over the quarter, the fund has returned 2.6%.

Q1 2026 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
CG AJ Bell Income & Growth	2.64	6.32	17.76	37.61	49.08	57.57

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



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CG AJ Bell Income & Growth

As at 31 March 2026



Portfolio snapshot

Number of holdings	17
Inception date	08 Apr 2019
Fund size	£115.50m
ISIN	(I Acc) GB00BH3W7883

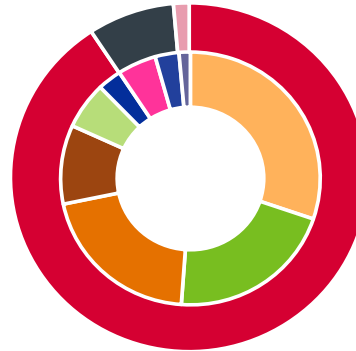
Top 10 holdings

Holding	Weight (%)
iShares Core FTSE 100 ETF	17.37
Invesco S&P 500 High Dividend Low Volatility ETF	17.24
Fidelity Emerging Markets Quality Income ETF	17.02
Fidelity US Quality Income ETF	12.95
Franklin Templeton European QualDiv ETF	5.21
iShares MSCI Europe Quality Dividend ETF	4.90
Amundi Prime Japan ETF	3.68
Invesco FTSE Emerging Markets High Dividend Low Volatility ETF	3.59
Vanguard FTSE UK All-Share Index	3.56
Vanguard Pacific ex-Japan Stock Index	2.97

Risk profile

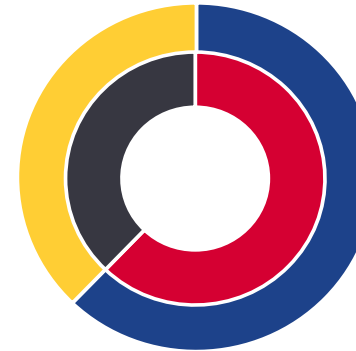
For investors who favour capital growth and regular dividend payments through a higher allocation to equities. Investors should understand the risk reward relationship that entails over the short, medium, and long term. The fund predominantly invests in funds, and exchange traded funds (ETFs), using a defined strategic asset allocation process to deliver returns while meeting the targeted level of risk.

Asset allocation (%)



Equity	90.77
North America equity	30.19
UK equity	20.93
Emerging markets equity	20.60
Europe ex-UK equity	10.12
Japan equity	5.96
Asia Pacific ex-Japan equity	2.97
Fixed Income	7.79
Global high yield bonds (GBP hedged)	4.85
Emerging market debt	2.95
Cash	1.43
Cash	1.43

Fixed income breakdown (%)



GBP Bonds	62.18
Global high yield bonds (GBP hedged)	62.18
International Bonds	37.82
Emerging market debt	37.82

Equity breakdown (%)



Sector	Weight (%)
Financial Services	20.89
Technology	13.11
Industrials	9.80
Consumer Defensive	9.29
Energy	8.75
Healthcare	8.02
Consumer Cyclical	7.28
Communication Services	6.28
Utilities	6.02
Real Estate	5.54
Basic Materials	5.01

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The Ongoing charges figure (OCF) includes the underlying OCF, the annual management fee, and the costs for running and administering the fund structure. The annual management fee is variable, as it consists of the fixed OCF, minus all other costs.

Transaction costs represent the net costs incurred by the fund in buying and selling underlying investments. These are the gross costs offset with any pricing mechanisms used by the fund to protect investors from the cost of transactions (such as swing pricing). In some instances this may result in a negative number.

Due to its multi-asset nature, no financial instrument or index represents a fair benchmark for the Fund. The Fund does not aim to track the IA sector as a benchmark. Performance is calculated on a net of fees basis.

The assigned risk profiles do not indicate a promise, forecast or illustration of future volatility or returns nor represent investment advice or a recommendation to buy or sell units/shares in a fund or portfolio.

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

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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.