



AJ Bell Funds Quarterly Reports

As at 31 December 2025



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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.

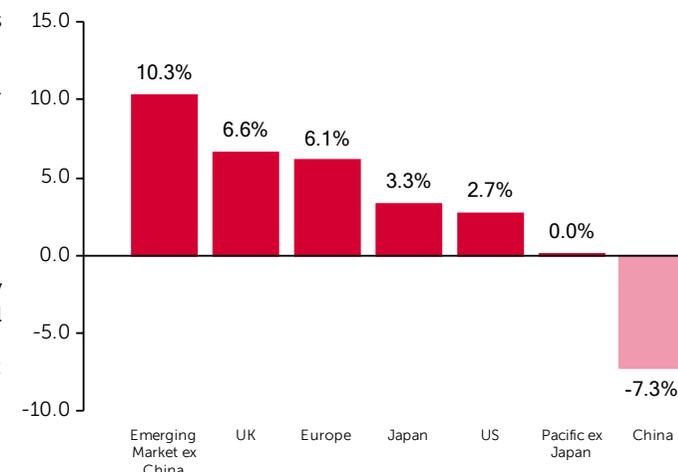
Emerging markets ex China continued their rally in the final quarter of 2025 as the AI theme and its supply chain attracted attention. Technology-heavy markets such as South Korea and Taiwan benefited, while Chinese equity markets and their AI leaders declined, reflecting their underlying reliance on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

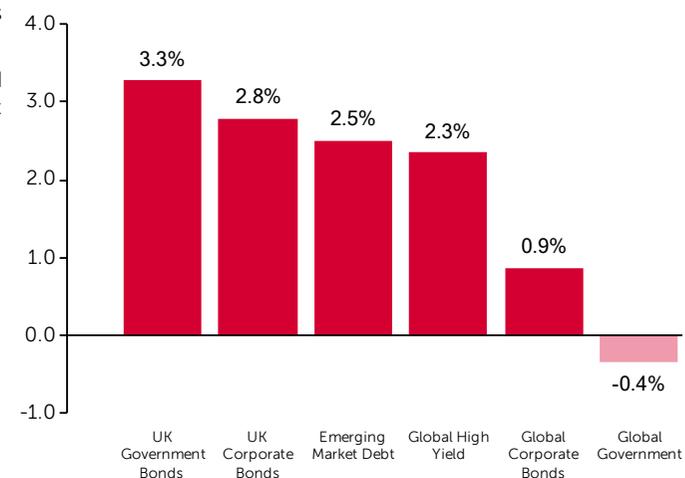
The rise in industrial metal prices towards the end of 2025 prompts questions about our position in the global economic cycle and the fragility of supply chains. This, in turn, brings inflationary dynamics back into focus. Despite some short-term relief, we believe there are considerable risks to maintaining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



CG AJ Bell Responsible Screened Growth

As at 31 December 2025



Portfolio commentary

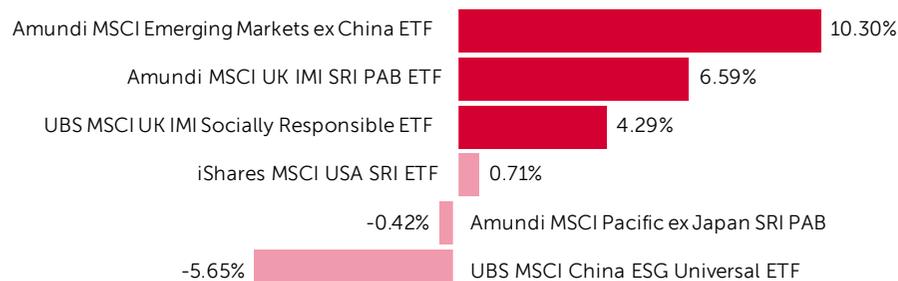
The Responsible Growth fund returned 3.59% in the fourth quarter, as it hit its fifth anniversary. Over the past five years, it has offered a total return of 41.2%.

The top three regions in the fund, Europe, UK, and North America, all delivered positive returns in the fourth quarter. Japan was also able to recover following a slip in November to end the year in the black.

The top region for the fund was emerging markets ex-China, where South Korea and Taiwan drove returns with tech. India also picked up in the last quarter after it went out of favour with investors earlier in the year. China, however, fell in the quarter, exemplifying why it is separated from the rest of emerging markets in our funds.

Looking to 2026, we expect AI to be a dominant theme once again. While there is caution around the concentration risk present in the US, we will be picking out other, less obvious sectors that could benefit from AI advancements.

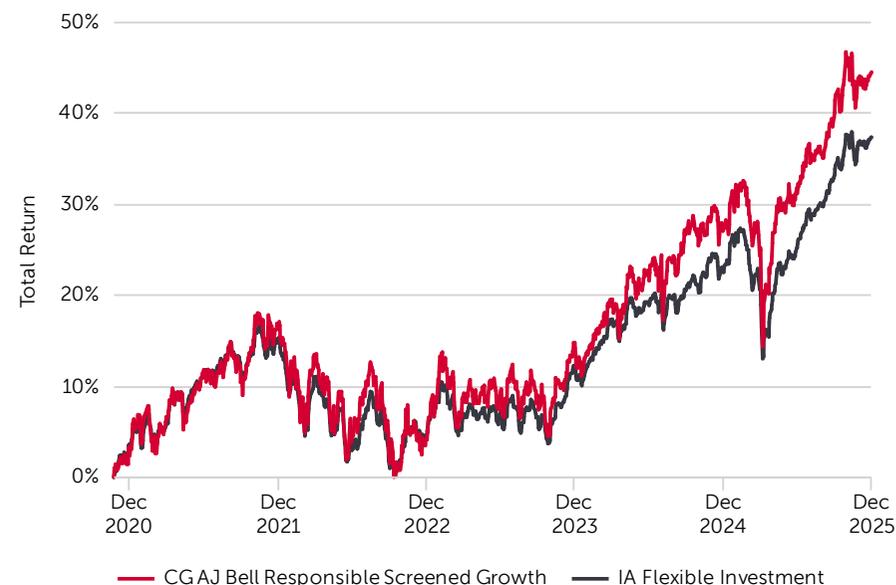
Q4 2025 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
CG AJ Bell Responsible Screened Growth	3.59	9.67	13.55	38.84	41.20	44.58
IA Flexible Investment	3.25	9.70	12.11	31.32	32.92	37.38

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 Responsible Screened Growth

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Portfolio snapshot

Number of holdings	14
Inception date	23 Nov 2020
Fund size	£191.46m
ISIN (I Acc)	GB00BN0S2V92

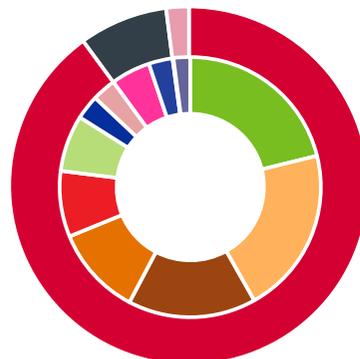
Top 10 holdings

Holding	Weight (%)
Xtrackers ESG MSCI USA ETF	17.09
Amundi MSCI Europe SRI PAB ETF	15.86
Xtrackers ESG MSCI Emerging Markets ETF	11.08
UBS MSCI UK IMI Socially Responsible ETF	10.60
Amundi MSCI UK IMI SRI PAB ETF	10.53
Amundi MSCI Emerging Markets ex China ETF	8.20
iShares MSCI Japan SRI ETF	7.00
iShares MSCI USA SRI ETF	3.64
Invesco Global High Yield Corporate Bond ESG Climate Transition UCITS ETF	3.26
Amundi MSCI Pacific ex Japan SRI PAB	3.00

Risk profile

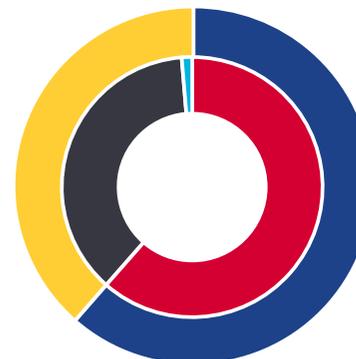
For investors who favour a higher allocation to equities and understand the risk reward relationship that entails over the short, medium, and long term. The fund predominantly invests in funds, and exchange traded funds (ETFs), using a defined strategic asset allocation process to deliver returns while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

Asset allocation (%)



Equity	89.98
UK equity	21.13
North America equity	20.73
Europe ex-UK equity	15.86
Emerging markets equity	11.08
Emerging markets ex-China equity	8.20
Japan equity	7.00
Asia Pacific ex-Japan equity	3.00
China equity	2.99
Fixed Income	7.97
Global high yield bonds (GBP hedged)	4.89
Emerging market debt	2.97
Global high yield bonds	0.10
Cash	2.05
Cash	2.05

Fixed income breakdown (%)



GBP Bonds	61.45
Global high yield bonds (GBP hedged)	61.45
International Bonds	38.55
Emerging market debt	37.28
Global high yield bonds	1.27

Equity breakdown (%)



Sector	Weight (%)
Financial Services	23.06
Technology	18.39
Industrials	13.05
Consumer Cyclical	11.53
Healthcare	10.85
Communication Services	7.18
Consumer Defensive	6.12
Basic Materials	3.90
Real Estate	3.71
Utilities	1.68
Other	0.55

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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.

! 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.

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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.