

Responsible Income (£)

Quarter 2 2025 (as at 30 June 2025)



Investment Philosophy: we are active, unconstrained managers, investing globally and believing risk should be a choice, not a fate. Our portfolios are designed to be outcome oriented and therefore better aligned to client needs. We focus on behaviour not labels; meaning what matters is how assets respond to the changing environment, not what they are called. We are a diverse group of contrarian thinkers, committed to learning and constant improvement.

Mandate

Investment Objective: to provide an income stream, whilst minimising the risk of significant capital impairment

Target Outcome: cash +1% to 3% p.a. over a rolling 3 year period

Currency: sterling

Risk Parameters: 8% maximum peak to trough drawdown, volatility in the range 4% to 8% annualised

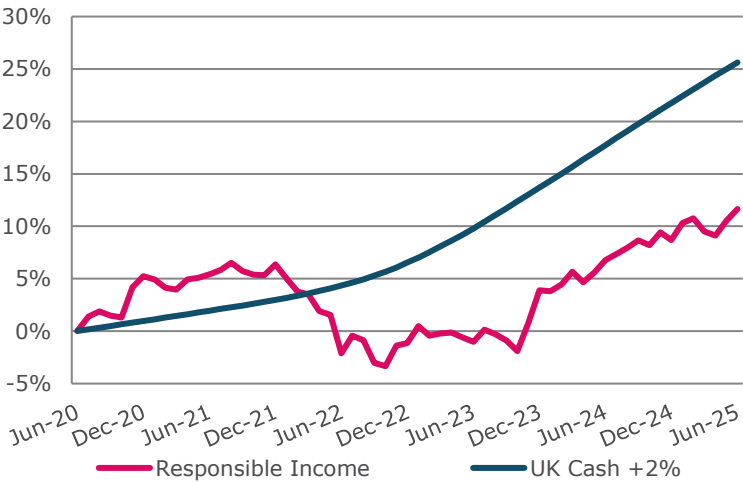
Time Horizon: ≥ 3 years

Style: diversified, global, multi asset (bonds, equities, alternatives, currencies and cash)

Performance¹

Statistics Since Inception (January 2012)

Total Return	56.08%
Annualised Return	3.35%
Annualised Volatility	4.26%
Maximum Drawdown	-9.26%



3 Month	YTD	1 Year	3 Year	5 Year
1.95%	2.72%	4.59%	14.08%	11.64%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	1.48%	0.42%	-1.13%	-0.38%	1.31%	1.01%							2.72%
2024	-0.09%	0.63%	1.16%	-0.95%	0.90%	1.09%	0.55%	0.57%	0.65%	-0.42%	1.14%	-0.68%	4.63%
2023	1.63%	-0.92%	0.24%	0.07%	-0.45%	-0.42%	1.16%	-0.42%	-0.59%	-1.03%	2.71%	3.11%	5.09%
2022	-1.25%	-1.21%	-0.26%	-1.54%	-0.38%	-3.60%	1.71%	-0.41%	-2.20%	-0.31%	2.03%	0.24%	-7.07%
2021	-0.28%	-0.77%	-0.17%	0.94%	0.16%	0.30%	0.37%	0.67%	-0.73%	-0.33%	-0.06%	0.99%	1.09%
2020	0.41%	-1.12%	-7.08%	4.13%	2.39%	1.28%	1.40%	0.46%	-0.38%	-0.19%	2.83%	1.01%	4.82%

¹ Performance data is net of all fees

Quarterly Commentary

Across what was an extremely turbulent quarter, global equities suffered one of the sharpest corrections of recent decades, only to finish close to where they began, with some indices grinding to new highs. Among numerous noteworthy events, developments which bookmarked Q2 were arguably the most consequential; Trump’s ‘Liberation Day’ tariffs on April 2nd, and a positive conclusion to the NATO summit on June 25th.

With concerns around the US Treasury market moderating – helped by growth which cooled but held up in the US, and lukewarm inflation figures – fixed income markets saw small gains across the quarter. Global equities, using the MSCI ACWI, ultimately finished up 4.7% for the quarter but only 0.6% higher for the first half, in sterling terms. Gold continued higher in US dollar terms, finishing up 6.1% for the quarter, but this translated into a 0.2% decline in sterling. These numbers help to illustrate the ongoing weakness of the greenback in 2025, having lost 10% of its value this year. This represents the worst first half for the US dollar in more than 50 years, despite the Fed staying on hold while other major central banks eased interest rates.

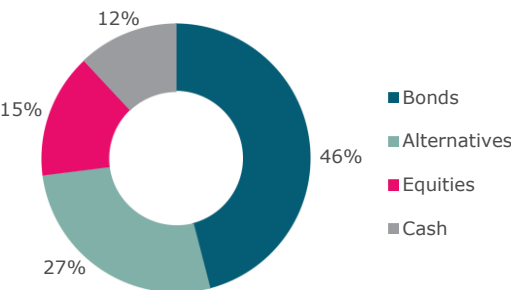
Against this backdrop, the strategy was up 2.0% across the second quarter, taking the year-to-date returns to 2.7%. Leading contributors in Q2 included our allocations to emerging market income-oriented equities (see [Featured Fund](#)), multi-asset funds and a convertible arbitrage strategy. The only meaningful detractors were a global real estate fund – which we exited in the quarter – and a bank financials strategy.

Fund Name	Weighting	Description	SFDR ⁵
Aegon Global Diversified Income	8.0%	A portfolio of high quality, multi-asset income	8
BlueBay Global Sovereign Opportunities	9.0%	Uncorrelated returns from global macroeconomic trading	8
Fiera Emerging Markets	5.0%	Quality emerging market companies paying a dividend	8
Guinness Global Equity Income	5.0%	Defensive businesses steadily growing their dividends	8
Goldman Sachs Global Dynamic Bond Plus Portfolio	6.0%	Diversified strategic bond fund with low duration	8
Latitude Horizon	5.0%	Multi-asset approach combining global value stocks with fixed income	6
M&G Emerging Markets Bond	5.0%	Flexible, defensive emerging market fixed income fund	6
Pictet Strategic Credit	9.0%	Strategic bond fund backed by insightful top-down thinking	6
Polar Capital Global Absolute Return	6.0%	Robust arbitrage strategy utilising convertible bonds	8
Royal London Short Duration Global High Yield	8.0%	Clipping high yield coupons while keeping duration risk low	8
Ruffer Diversified Return International	5.0%	Macro-led multi-asset investing with a keen eye on downside risk	8
Troy Trojan	8.0%	Steady, resilient, well-proven multi-asset strategy	8
Vontobel TwentyFour Strategic Income	9.0%	Strategic multi-credit fund with a 'glass half full' approach	8
BlackRock Sterling Liquidity	1.0%	Money market fund, as an alternative to cash	8
Cash	6.0%	Money waiting to be invested	
OCF: 0.71% ² Equity Beta: 0.30 ³ Yield: 3.99% Bond Duration: 2.97yrs ⁴			

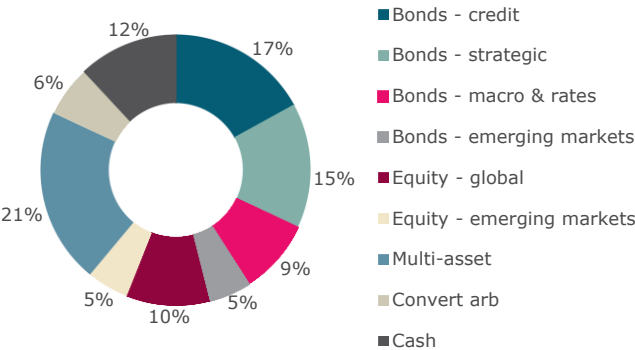
² Weighted ongoing charge figure - not including Affinity fees
⁴ Sensitivity to interest rate changes – applied only to bonds

³ A measure of an investment’s sensitivity to global listed equities
⁵ Sustainable Finance Disclosure Regulation – article classification

Asset Class Breakdown



Category Breakdown



Featured Fund

Fiera Emerging Markets: is a value-biased, bottom-up stock picking strategy which invests in global emerging markets companies with a compelling combination of long-term capital growth and income generation. The team build portfolios of “quality companies with a dividend paying culture”, rather than focusing on ‘high-yielders’ as such. Nevertheless, the fund has yielded circa 4% in most environments, even while seeking out companies with double-digit profit growth, trading at a discount to broader equity markets. One of the features of the Fiera approach which makes this possible, is having the experience and willingness to be able to invest beyond the EM benchmark, including some smaller companies and frontier market exposure, so long as liquidity and governance are sufficient.

The fund has performed well year-to-date, helped by overweight allocations to South Korea and Taiwan. In Korea, the Fiera team were savvy in judging that political chaos around the turn of the year would be short-lived, using corresponding weakness to add exposure to strategically important infrastructure and defence companies, shipbuilders and other industrials. In Taiwan, fears around potential negative implications of DeepSeek, along with US tariff fears, facilitated similarly compelling entry points into high quality companies with clear structural growth drivers.



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