



WealthSelect Managed Active 5 Portfolio Quarterly Report Q1 2026

Quarterly report to 31 March 2026

Market summary



Marcus Brookes
Chief Investment Officer

The first three months of 2026 proved challenging for investors, with markets shaped by a combination of geopolitical conflict, shifting interest rate expectations, and concerns about inflation. Escalating tensions in the Middle East disrupted global energy supplies, pushing oil prices sharply higher and unsettling risk sentiment. As a result, global equity markets were down by 1.2%, while commodities were the standout performer. Fixed income markets were volatile, as higher energy prices reignited fears that inflation may remain elevated for longer, causing investors to reassess the likelihood of interest rate cuts. Against this backdrop, performance varied notably by region and asset class.



Developed markets (ex UK)

US equities declined by 2.6% over the quarter. Early optimism, driven by solid economic data and strong corporate earnings, faded as concerns grew about interest rates staying higher for longer. Tech stocks were a key drag, particularly software companies, as investors questioned the long-term impact of artificial intelligence (AI) on business models. Rising oil prices and heightened geopolitical uncertainty further weighed on market sentiment later in the quarter.

European equities fell by 2.1% as the Middle East conflict intensified. Higher energy prices created concerns about inflation and economic growth, particularly given Europe's reliance on energy imports. While energy stocks performed strongly, economically sensitive sectors such as consumer discretionary struggled. Technology performance was mixed, with software stocks under pressure, partly offset by more resilient hardware and semiconductor companies.



UK equity

UK equities were more resilient than many global peers and were up 2.8% over the quarter. The market benefited from its heavy exposure to energy and commodity companies, which gained from rising oil and gas prices. A weaker pound also supported internationally focused firms. However, domestically oriented mid-cap companies underperformed, reflecting concerns about economic growth. Tech and consumer-focused sectors were among the weakest areas.



Emerging markets equity

Emerging market equities delivered solid returns of 1.8%, overall. However, performance was mixed across regions. Technology-heavy markets such as Taiwan and South Korea performed well early in the quarter on strong demand linked to AI. However, higher energy costs and increased risk aversion led to a sharp pullback in March, particularly for energy-importing countries. Latin American markets stood out positively, supported by rising commodity prices.



Fixed interest

Bond markets were volatile and generally weak during the quarter. Rising energy prices increased concerns about inflation, leading investors to scale back expectations for interest rate cuts and, in some cases, price in potential increases. Government bond prices fell across major markets, with UK and European bonds particularly affected. US Treasuries were more resilient, helped by the US being a net energy exporter and signs of a softening labour market.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter and Morningstar as at 31 March 2026. Total return, percentage growth over period 31 December 2025 to 31 March 2026. The performance shown for each equity market is represented by an appropriate MSCI Index.

Portfolio summary

Portfolio name

Managed Active 5

Portfolio objective

The WealthSelect Managed Active 5 portfolio aims to achieve capital growth over a period of five years or more through a diversified range of investments in the UK and globally.

The portfolio is matched to a risk profile that targets a specific range of volatility of between 45% and 55% of the expected annualised volatility of global equities over the next 10 years and is managed to stay within this range most of the time.

Growth to last quarter end

Cumulative performance

Holding	3 months	6 months	1 year	3 years	5 years	Since launch*
Managed Active 5	-1.11%	2.46%	10.86%	26.41%	28.04%	98.87%
IA Mixed Investment 20-60% Shares	-0.98%	1.73%	8.95%	21.88%	17.86%	64.26%

Growth year by year

Discrete annual performance over one year to March

Holding	2026	2025	2024	2023	2022
Managed Active 5	10.86%	4.95%	8.65%	-1.08%	2.40%
IA Mixed Investment 20-60% Shares	8.95%	3.77%	7.80%	-5.00%	1.79%

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter, Morningstar, and FactSet as at 31 March 2026. Total return, percentage growth, net of fees over periods shown. The performance shown is based on a model of the portfolio held via Quilter's platform and may differ on other platforms. The portfolio launched on 24 February 2014.

An index or similar against which we invite investors to compare the performance of the portfolio. The IA Mixed Investment 20-60% Shares sector is representative of funds with exposure to a broad mix of asset types. The allocation of the portfolio to these asset types may be different. Therefore, the performance of the portfolio and the performance comparator may differ.

Portfolio commentary

Portfolio name

Managed Active 5



Stuart Clark

Portfolio Manager



Helen Bradshaw

Portfolio Manager



Bethan Dixon

Portfolio Manager

Having shrugged off the capture of the Venezuelan president, the US Supreme Court judgement on tariffs, and US threats to takeover Greenland there was a significant turnaround in sentiment following the campaign against Iran. The rotation within markets continued during the quarter with energy-related commodities being the clear winners while more growth-oriented equities struggled. As the oil price surged, market expectations for future rate cuts were reversed, which impacted returns from traditional fixed income.



UK equity

UK positive

The higher exposure to energy and lower exposure to technology aided the performance of the UK relative to other markets and helped deliver a small positive return for investors. However, the underlying managers in the portfolio were not positioned appropriately to capture the sharp uptick in energy prices and so lagged the index for the quarter.



Developed markets (ex UK)

Oil drives returns

The best performing holding this quarter was the Quilter Natural Resources Equity Fund (managed by Janus Henderson), which benefitted from the rally in the oil price due to the Middle East conflict. Regionally, Japanese equities were the winner. While not immune to the risk-off sentiment in March, an emphatic victory for the Liberal Democratic Party in the February election led to the assumption of pro-growth stimulus leading to strong market gains.

Software losses

Within the US market the big loser in the quarter were software stocks, which came under pressure due to concerns about the impact of AI on their business models. At the same time, the Magnificent Seven were also under pressure over concerns about the scale of capital expenditure and future returns from those investments. Meanwhile, energy names, while a smaller part of the index, did very well.

Value adds

The holding in the Quilter Investors US Equity Income Fund (BNY Mellon) was well positioned in this environment and delivered a positive return against a loss for the broader market. European and Asian markets followed a similar pattern to the US with growth-oriented managers struggling while those with a value style, the Quilter Europe (ex UK) Equity Income (Schroders) and Quilter Asia Pacific (ex-Japan) Large-Cap Equity (Invesco) funds, were able to add value.

Portfolio commentary (cont.)

Portfolio name

Managed Active 5



Emerging markets equity

Emerging strength

Emerging market equity had a strong start to the year, and the managers in the portfolio were able to outperform the market boosting returns. However, emerging Asia is exposed to significant risk from a protracted oil supply shock, and this was reflected in the performance during March.



Fixed interest

Tide turns on rate cut expectations

The tide turned very sharply on market expectations of future rate cuts with the onset of higher energy prices. At the beginning of the year several cuts were priced into the US and UK markets, while the European market outlook was for no hikes or cuts. However, the shift in March meant hikes are now being priced into each of these regions. At the beginning of March, we cut the exposure to UK gilts, in favour of liquid alternatives. This was due to concerns that the number of cuts being priced in was too optimistic given the risks. This proved timely and helped protect the portfolio.



Alternatives

Strong alternatives

The alternatives allocation outperformed all other high-level asset classes except for cash. The recently added Quilter Absolute Return Equity Fund, and the longer standing Quilter Absolute Return Bond Fund (both Janus Henderson), delivered against their objectives with low levels of volatility and incremental positive returns in excess of cash. During the quarter we launched another new mandate into the portfolios – the Quilter Long-Short Equity fund (JP Morgan). This is a higher risk; higher return strategy investing in consumer-related stocks and is managed by a very experienced team.



Investment outlook

It is hard to look past the current situation in the Middle East: the impact it is having on the people of the region and the outlook for markets. While the current ceasefire is welcomed, we view this as a fragile situation that could easily be broken by either side. The longer that oil prices remain elevated, and supply curtailed, the more significant the impact will be on both inflation and growth.

Diversification tested

The focus on international diversification, in addition to diversification within the US market that proved beneficial to investors in January and February, was tested in March as risk assets became more correlated. Having said that, value as an investment style, US small- and mid-cap, and Japanese equity were all able to outperform in the quarter. As we look ahead the valuation discrepancies between markets have started to shift.

Out of the headlines

While the headlines have been focused on the Middle East there are also other areas of concern. One such issue is the outlook for private credit – of which we have no exposure in the portfolios – where any further slowdown in growth may accelerate issues at the underlying businesses. Another is the impact of AI on the operating models of various businesses but most notably on software as a service (SaaS) names. At the same time, questions are being asked about the future returns available on the high levels of investment by hyper-scalers.

Labour woes

Closer to home we are fast approaching the local elections and what will be seen as a referendum on the Labour leadership. If there are significant losses to the Green or Reform parties, then we would expect to see increased discussions around a leadership challenge or a shift in policy to try and maintain the status quo. We feel that some of this is already priced into the gilt market but there is a risk of a further shift in pricing if this scenario plays out.

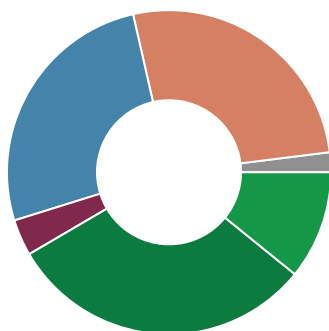
Portfolio holdings

Portfolio name

Managed Active 5

Asset allocation

As at 31 March 2026



	Percentage	Quarterly change
UK equity	10.86%	▼ -0.33%
Developed markets (ex UK) equity	30.63%	▼ -0.36%
Emerging markets equity	3.75%	▲ 0.10%
Fixed interest	26.21%	▼ -0.40%
Alternatives	26.49%	▲ 1.57%
Cash/Money markets	2.05%	▼ -0.58%

Portfolio changes

Your portfolio is constantly monitored and reviewed by our portfolio management team. As part of our active management of your portfolio, we will make changes to the funds in which we invest where we believe it's in your best interest.

In
 Quilter Investors Long-Short Equity

Out
 N/A

Portfolio holdings



UK equity

10.86%

Fund

Quilter Investors UK Equity Large-Cap Income	3.39%
Quilter Investors UK Equity Opportunities	2.94%
Quilter Investors UK Equity	2.93%
Quilter Investors UK Equity Growth	1.60%

Source: Quilter, Factset. Please note that due to rounding the portfolio holdings may not add up to 100%. The portfolio holdings are based on an illustrative model of the WealthSelect Managed Active 5 Portfolio held via the Quilter platform. The portfolio holdings on other platforms may not be the same due to various factors including the availability of funds and share classes.

Portfolio holdings (cont.)

Portfolio name

Managed Active 5



Developed markets (ex UK) equity

30.63%

Fund

Quilter Investors US Equity Income	4.30%
Quilter Investors North American Equity	3.98%
Quilter Investors Japanese Equity	3.08%
Quilter Investors Europe (ex UK) Equity	2.80%
Quilter Investors Global Equity Value	2.45%
Quilter Investors Europe (ex UK) Equity Income	2.19%
Quilter Investors Europe (ex UK) Equity Growth	2.00%
Quilter Investors Precious Metals Equity	1.77%
Quilter Investors US Equity Small/Mid-Cap	1.54%
Quilter Investors US Equity Growth	1.31%
Quilter Investors Asia Pacific (ex Japan) Equity	1.25%
iShares North American Equity Index	1.21%
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity	1.19%
Quilter Investors Natural Resources Equity	0.69%
Quilter Investors Timber Equity	0.60%
Quilter Investors Asia Pacific	0.27%



Emerging markets equity

3.75%

Fund

Quilter Investors Emerging Markets Equity Income	1.34%
Quilter Investors Emerging Markets Equity Growth	1.21%
Quilter Investors Emerging Markets Equity	0.85%
Quilter Investors China Equity	0.36%

Source: Quilter, Factset. Please note that due to rounding the portfolio holdings may not add up to 100%. The portfolio holdings are based on an illustrative model of the WealthSelect Managed Active 5 Portfolio held via the Quilter platform. The portfolio holdings on other platforms may not be the same due to various factors including the availability of funds and share classes.

Portfolio holdings (cont.)

Portfolio name

Managed Active 5



Fixed interest

26.21%

Fund

Aviva Investors Global Sovereign Bond	5.29%
iShares UK Gilts All Stocks Index	4.29%
Quilter Investors Corporate Bond	3.33%
Quilter Investors Diversified Bond	2.96%
Quilter Investors Sterling Diversified Bond	2.63%
Quilter Investors Dynamic Bond	1.98%
Quilter Investors Investment Grade Corporate Bond	1.77%
Quilter Investors Sterling Corporate Bond	1.76%
Vanguard Euro Government Bond Index	1.33%
iShares Up to 10 Years Gilts Index	0.87%



Alternatives

26.49%

Fund

PIMCO Dynamic Bond	7.11%
Quilter Investors Absolute Return Bond	6.66%
Quilter Investors Global Equity Absolute Return	6.26%
Quilter Investors Absolute Return Equity	2.65%
Trium ESG Emissions Improvers	1.98%
Quilter Investors Long-Short Equity	1.84%



Cash/Money markets

2.05%

Fund

BlackRock ICS Sterling Liquid Environmentally Aware	2.05%
---	-------

Source: Quilter, Factset. Please note that due to rounding the portfolio holdings may not add up to 100%. The portfolio holdings are based on an illustrative model of the WealthSelect Managed Active 5 Portfolio held via the Quilter platform. The portfolio holdings on other platforms may not be the same due to various factors including the availability of funds and share classes.

Glossary

Alternatives

Alternatives include non-standard asset classes. For example, commodities, renewable energy, infrastructure, or collectibles. It also includes strategies that invest in traditional asset classes by using derivatives. The latter are known as hedge funds.

Capital expenditure

Capital expenditure (CapEx) is the money spent by a company to buy, maintain, or improve fixed assets. For example, buildings, machinery, and land.

Commodities

Commodities are raw materials, basic resources, or primary agricultural or mining products that can be traded on an exchange. The term can also be used to describe energy supplies.

Consumer discretionary

Consumer discretionary describes goods and services that consumers consider non-essential, but highly desirable if their income allows. Consequently, companies that sell consumer discretionary products tend to be the most sensitive to economic cycles.

Emerging markets

Emerging markets are developing economies that are in the process of transitioning into becoming developed markets by evolving their industries, infrastructure, and political and legal systems.

Gilts

Gilts is the name given to bonds issued by the UK government.

Government bonds

Government bonds, also known as sovereign bonds, are bonds issued by governments.

Growth stocks

Growth stocks tend to be younger companies that derive their value from the rate at which they are expected to grow their future earnings. Generally, they pay limited dividends as they reinvest their profits to grow their businesses.

Magnificent Seven

Magnificent Seven is a term used to describe Amazon, Apple, Alphabet, Meta, Microsoft, Nvidia and Tesla. They are also referred to as mega-caps.

Mid-cap

Mid-cap describes medium-sized companies as measured by market capitalisation (market cap). While the exact thresholds change with market conditions, mid cap refers to companies with a market capitalisation of \$2bn to \$10bn.

Treasuries

Treasuries are US government bonds. They are issued by the US Treasury.

Value stocks

Value stocks tend to be well-established, mature businesses. They are companies whose share price is low relative to their value. Consequently, value stocks are among those with the highest dividend yields.

Important information

Source: Quilter, Morningstar, FactSet. Based on the latest data and portfolio holdings available as at 31 March 2026.

Past performance is not a guide to future performance and may not be repeated. Investment involves risk. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. Because of this, an investor is not certain to make a profit on an investment and may lose money. Exchange rates may cause the value of overseas investments to rise or fall.

www.quilter.com

Please be aware that calls and electronic communications may be recorded for monitoring, regulatory and training purposes and records are available for at least five years.

The WealthSelect Managed Portfolio Service is provided by Quilter Investment Platform Limited and Quilter Life & Pensions Limited. "Quilter" is the trading name of Quilter Investment Platform Limited (which also provides an Individual Savings Account (ISA), Junior ISA (JISA) and Collective Investment Account (CIA)) and Quilter Life & Pensions Limited (which also provides a Collective Retirement Account (CRA) and Collective Investment Bonds (CIB)).

Quilter Investment Platform Limited and Quilter Life & Pensions Limited are registered in England and Wales under numbers 1680071 and 4163431 respectively. Registered office at Senator House, 85 Queen Victoria Street, London, United Kingdom, EC4V 4AB. Quilter Investment Platform Limited is authorised and regulated by the Financial Conduct Authority. Quilter Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Their Financial Services register numbers are 165359 and 207977 respectively. VAT number 386 1301 59.

Quilter uses all reasonable skill and care in compiling the information in this communication and in ensuring its accuracy, but no assurances or warranties are given. You should not rely on the information in this communication in making investment decisions. Nothing in this communication constitutes advice or personal recommendation.

Data from third parties ("Third-Party Data") may be included in this communication and those third parties do not accept any liability for errors and omissions. Therefore, you should make sure you understand certain important information, which can be found at www.quilter.com/third-party-data/. Where this communication contains Third-Party Data, Quilter Investors cannot guarantee the accuracy, reliability or completeness of such Third-Party Data and accepts no responsibility or liability whatsoever in respect of such Third-Party Data.