

Our ref: 8483

## Fund merger for Ninety One UK Alpha

The Ninety One UK Alpha fund that you invest in as part of a model portfolio set up by your financial adviser is due to merge into the Ninety One UK Franchise fund\*. The merger will take place on **23 January 2026**. You'll see the new fund on your valuations and statements after that date.

\*The receiving fund name is currently Ninety One UK Equity Income and it is being renamed Ninety One UK Franchise on 23 January 2026.

**Your financial adviser will take any action that needs to be taken and, if necessary, help to address any questions you may have.**

### How the merger will affect your account

- **The value of your fund holding** – The merger may affect the value of your fund holding. The costs in relation to realigning the assets of the discontinuing fund will be borne by the fund and are estimated to be approximately 0.07% of the fund value.
- **Phased investment and Rebalancing** – Any instructions using the fund will automatically continue. These will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.
- **Direct Debits** – If you are paying into the fund by Direct Debit future payments will either buy units in your other assets proportionally, or go into cash, depending on how your adviser set up the model portfolio. Alternatively, we will update the instruction if your financial adviser provides a revised asset choice.
- **Treasured assets** – if you have treasured the fund to be excluded when deducting units to meet certain scheduled payments from your account (for example charges and ongoing adviser fees), this arrangement will stop. You can arrange to treasure different assets by providing us with a new treasured asset request form.

Cash may not be suitable for your long-term investment needs. If you're happy for the amount to stay in cash, you don't need to do anything. Your financial adviser will take any action that needs to be taken and help to answer any questions you may have.

### A note about cash in your account

We don't take any product or service charges on your cash balance (although the value is still included in the total value calculation for the charge). Instead, we pay you a rate of interest on cash in your account and we are paid by retaining a proportion of the interest we receive from our banking partners.

You can find more information, including the current interest rate payable and how much interest we retain, on our website at [quilter.com/interest-on-cash](https://quilter.com/interest-on-cash).

- The merger **may change the fund's risk profile**. You can see more information about the new fund in its Key Investor Information document, available online at [quilter.com/Ninety-One-Fund-Managers-UK-Limited3](https://quilter.com/Ninety-One-Fund-Managers-UK-Limited3). Please note, it may not reflect the charges applicable when accessing the fund through us.

### Why the funds are merging

Over the last few years, the fund has significantly reduced in size (in terms of assets under management), and Ninety One expect future demand to remain low. A decreasing fund size typically means increased operating expenses, as fixed costs are divided between fewer investors and assets.

Ninety One explored several options for the future of the fund, prioritising the interests of investors. Instead of

closing the fund and returning capital to investors - which could trigger capital gains taxes - they believe merging it is in the interests of investors as it enables investors to continue to pursue their investment objectives by investing in quality UK companies i.e. UK companies which are well-managed and have strong financial foundations.

You can find more information about the old and new funds below.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely



**Callum Earl**

*Head of Client Services*

## Fund objectives

Current fund Ninety One UK Alpha	New fund Ninety One UK Franchise
<p><b>Fund objective:</b> To provide capital growth (to grow the value of your investment) and income over at least 5 years.</p> <p>The fund invests primarily (at least two-thirds) in the shares of UK companies (those incorporated in, domiciled in, or that have significant economic exposure to, the UK).</p> <p>The term “alpha” in the fund’s name means above average opportunities for capital growth and income.</p> <p>Investment opportunities are identified using in-depth analysis and research on individual companies.</p> <p>The companies may be of any size and in any industry sector.</p> <p>The fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes.</p>	<p><b>Fund objective:</b> The fund aims to provide capital growth (to grow the value of your investment) and income over at least 5 years.</p> <p>The fund invests primarily (at least two-thirds and typically substantially more) in the shares of UK companies (those incorporated in, domiciled in, or that have significant economic exposure to, the UK), which are believed to have quality characteristics typically associated with strong brands, franchises or lasting competitive advantages such as:</p> <ul style="list-style-type: none"><li>- unique know-how (e.g. valuable patents) that competitors cannot copy easily; or</li><li>- operating more efficiently as they grow.</li></ul> <p>Investment opportunities are identified using in-depth analysis and research on individual companies.</p> <p>The fund may at times invest in a relatively small number of companies.</p> <p>The companies may be of any size and in any industry sector.</p> <p>The fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes.</p>