WealthSelect Managed Active 10 Portfolio Quarterly Report Q3 2026

Quarterly report to 30 September 2026

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Market summary



Marcus Brookes
Chief Investment Officer

The third quarter of 2026 was shaped by a mix of challenges and resilience. Geopolitical tensions in the Middle East pushed oil and gas prices higher, adding to inflation pressures and prompting many central banks to raise interest rates. Despite this backdrop, economic growth remained stronger than expected, particularly in the US, while company earnings generally continued to improve. Investors remained enthusiastic about artificial intelligence (AI) and related technologies, helping global equities end the quarter up by 1.6%. Meanwhile, commodities performed strongly, while bond markets struggled.

Developed markets (ex UK)

US equities delivered a return of 2.2% during the quarter, supported by resilient economic growth, healthy company earnings, and continued investment linked to AI. The US remained the main engine of developed market growth, with strong business investment and a firm labour market helping to support confidence. Energy stocks performed particularly well as oil prices rose, while software and technology also benefited from investor enthusiasm for AI.

European equities saw losses of 2.7% over the quarter. Investors questioned whether companies in the region could match the earnings growth seen elsewhere. Concerns over rising interest rates and the impact of higher bond yields on economic growth also weighed on sentiment.

UK equity

UK equities delivered a return of 2.4% and held up better than many European markets. The UK benefited from its greater exposure to energy, commodities, and financial companies, sectors that were supported by higher energy prices and rising interest rates. Attractive valuations and comparatively strong dividend yields also helped maintain investor interest. While UK shares did not enjoy the same level of AI-related excitement seen in the US, their sector composition proved beneficial in an environment where inflation concerns, and higher bond yields, remained key.

Emerging markets equity

Emerging market equities were weaker than developed markets and declined by 0.3% during the quarter. Performance was affected by a global sell-off in semiconductor stocks during July, which weighed on several key emerging market markets and companies. However, earnings expectations across emerging markets continued to improve, particularly for businesses linked to technology and semiconductor production. While short-term market performance was disappointing, investors remained optimistic about future profit growth.

Fixed interest

Fixed income markets faced a difficult quarter as persistent inflation, higher energy prices, and further interest rate increases pushed bond yields higher. Investors reassessed expectations for future monetary policy, while increased government borrowing and significant corporate debt issuance created additional pressure. Longer-dated government bonds were particularly weak, as yields rose sharply. Investment grade corporate bonds also saw negative returns, while high yield bonds proved more resilient thanks to their higher starting yields and shorter duration.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter. Total return, percentage growth over period 30 June 2026 to 30 September 2026. The performance shown for each equity market is represented by the appropriate MSCI Index.

Portfolio summary

Portfolio name

Managed Active 10

Portfolio objective

The WealthSelect Managed Active 10 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 95% and 105% 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 10	0.35%	14.04%	17.83%	53.77%	61.67%	255.08%
IA Global	0.38%	13.40%	13.28%	47.48%	44.23%	233.87%

Growth year by year

Discrete annual performance over one year to September

Holding	2026	2025	2024	2023	2022
Managed Active 10	17.83%	13.41%	15.08%	10.62%	-4.95%
IA Global	13.28%	11.82%	16.42%	7.65%	-9.16%

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 30 September 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 Global 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 10



Stuart Clark
Portfolio Manager



Helen Bradshaw
Portfolio Manager



Bethan Dixon
Portfolio Manager

The WealthSelect Managed Active Portfolios delivered mixed returns during the third quarter, with the lower-risk portfolios recording modest declines while mid- and higher-risk portfolios generated small positive returns. The differing outcomes were largely driven by asset allocation, with portfolios holding higher allocations to equities benefiting from the relative resilience of equity markets, while those with greater fixed income exposure were more affected by rising bond yields. Fixed income was a notable detractor as higher bond yields and renewed inflation concerns weighed on returns. However, our long-standing preference for liquid alternatives over fixed income helped cushion some of this weakness.

UK equity

Energy lifts the UK market

UK equities delivered positive returns during the quarter, supported by resilient economic data, attractive valuations, and a strong contribution from the energy and commodity sectors as oil prices moved higher. Our holdings generally lagged the broader market, largely due to our underweights in these sectors. The strongest performer was the Quilter Investors UK Equity Opportunities Fund (Artemis), which benefited from strong stock selection, particularly within the mid-cap segment of the market where improving sentiment towards domestically focused businesses supported returns.

Developed markets (ex UK)

Japan sets the pace

Japan was the standout region during the quarter, and this was reflected in the performance of our holding in the Quilter Investors Japanese Equity Fund (managed by M&G), which gained 5.7%. The market continues to benefit from a more supportive economic backdrop, improving corporate profitability, and ongoing corporate governance reforms aimed at enhancing shareholder value.

Gold shines

Our precious metals allocation delivered another strong quarter, with the Quilter Investors Precious Metals Equity Fund (BlackRock) up by 20.2%. The asset class benefited from renewed concerns around inflation and fiscal sustainability, with investors increasingly attracted to gold's role as a store of value amid rising government debt levels and persistent macro uncertainty. The allocation also continued to provide valuable diversification.

Resilience amid European weakness

European equities were the laggard over the quarter as higher energy prices, rising bond yields, and fiscal concerns weighed on investor sentiment. Despite the challenging backdrop, our holding in the Quilter Investors Europe (ex UK) Equity Income Fund proved relatively resilient. The fund's bias towards attractively valued companies with resilient earnings and strong cash generation provided some insulation from the broader market weakness.

Portfolio commentary (cont.)

Portfolio name

Managed Active 10



Emerging markets equity

China leads mixed emerging markets

Emerging market equities delivered mixed returns during the quarter. Our strongest holding was the Quilter Investors China Equity Fund (M&G), which benefited from improving sentiment towards Chinese equities. The Quilter Investors Emerging Markets Equity Growth (JP Morgan) was the weakest performer. The fund was held back by weakness across parts of the Asian tech and semiconductor supply chain, particularly in Korea and Taiwan.



Investment outlook

Throughout the third quarter, markets increasingly shifted their attention back to inflation and central bank policy. The key question now is not how long rates remain restrictive, but whether further increases will be required to bring inflation back under control.

Energy adds to inflation concerns

Higher energy prices resulting from tensions in the Middle East are an obvious source of concern, but they are not the only risk. Resilient economic activity, particularly in the US, ongoing supply-side pressures, and the potential for wage inflation to remain elevated could all contribute to inflation proving more persistent than expected.

Higher rates test market valuations

With several developed market central banks already raising rates during the quarter, investors will be watching closely for signs of whether further policy tightening is required, and what impact this may have on both economic growth and financial markets. Higher interest rates can also act as a headwind to asset valuations, particularly in areas where expectations are already elevated.

Navigating political uncertainty

Alongside inflation and central bank policy, investors must also navigate an increasingly busy political calendar. The upcoming UK Budget and US midterm elections could have important implications for fiscal policy, taxation, and government borrowing. As recent quarters have shown, market narratives can shift quickly, so we remain focused on maintaining diversified portfolios and a pragmatic, flexible approach as risks and opportunities evolve.

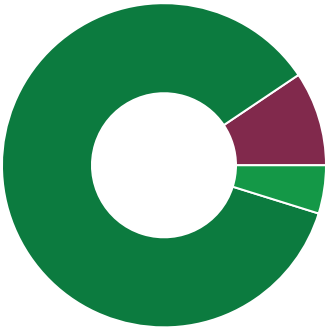
Portfolio holdings

Portfolio name

Managed Active 10

Asset allocation

As at 30 September 2026



	Percentage	Quarterly change
UK equity	4.83%	▲ 0.53%
Developed markets (ex UK) equity	85.71%	▼ -1.33%
Emerging markets equity	9.46%	▲ 0.80%

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

Out

Portfolio holdings

UK equity **4.83%**

Fund	
Quilter Investors UK Equity Large-Cap Income	1.50%
Quilter Investors UK Equity Opportunities	1.34%
Quilter Investors UK Equity	1.28%
Quilter Investors UK Equity Growth	0.72%

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 10 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 10

Developed markets (ex UK) equity **85.71%**

Fund	
Quilter Investors US Equity Income	12.97%
Quilter Investors North American Equity	12.12%
Quilter Investors Japanese Equity	7.27%
Quilter Investors Europe (ex UK) Equity	6.24%
Quilter Investors US Equity Growth	6.12%
Quilter Investors Global Equity Value	5.46%
Quilter Investors Europe (ex UK) Equity Income	5.08%
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity	4.89%
Quilter Investors US Equity Small/Mid-Cap	4.83%
Quilter Investors Europe (ex UK) Equity Growth	4.72%
Quilter Investors Asia Pacific (ex Japan) Equity	4.54%
Quilter Investors Precious Metals Equity	4.02%
iShares North American Equity Index	2.97%
Quilter Investors Asia Pacific	1.72%
Quilter Investors Natural Resources Equity	1.45%
Quilter Investors Timber Equity	1.31%

Emerging markets equity **9.46%**

Fund	
Quilter Investors Emerging Markets Equity Income	3.25%
Quilter Investors Emerging Markets Equity Growth	3.19%
Quilter Investors Emerging Markets Equity	2.10%
Quilter Investors China Equity	0.91%

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 10 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 10

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 10 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

Asset allocation
Asset allocation is the practice of allocating the holdings in a fund or portfolio across different regional markets, sectors, investment strategies/styles, and asset classes to manage risk and achieve a specified objective.

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.

Bond yield
A bond yield is the return an investor expects to receive each year over its term to maturity. It is calculated by dividing a bond's value by the amount of interest it pays. When a bond's price goes down, it's yield will go up, and vice versa.

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.

Dividend yield
Dividend yield is the dividend paid per share. It is expressed as a percentage of a company's share price.

Duration
Duration is a measure of the sensitivity of a bond's price to interest rate changes. It is measured in years, so the longer the duration, the more sensitive the asset is to changes. Low, or short, duration assets are less sensitive.

Fiscal policy
Fiscal policy refers to governments influencing the economy through their decisions on the levels of taxation and spending.

Investment-grade bonds
Investment-grade bonds are considered to signify a relatively low risk of default. Bonds rated from 'AAA' to 'BBB' are investment grade. They are assigned these credit ratings by credit agencies. For example, Standard & Poor's, Moody's, and Fitch.

Large-cap
Large-cap describes larger-sized companies as measured by market capitalisation (market cap). While the exact thresholds change with market conditions, large cap refers to companies with a market capitalisation of $10bn to $200bn.

Liquidity
Liquidity refers to the ease with which an asset can be converted into cash by selling without affecting its market price. Liquid assets are relatively easy to sell and convert to cash whereas illiquid assets take longer to sell.

Longer-dated bonds
Longer-dated bonds, also known as long maturity bonds, are bonds with 10 or more years until they repay their principal. As their prices have higher sensitivity to changes in interest rates, they are more volatile than shorter maturity bonds.

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.

Monetary policy
Monetary policy refers to the tools and actions taken by a central bank to influence the cost of borrowing and money supply in its economy. For example, interest rate changes.

Important information

Source: Quilter, Morningstar, FactSet. Based on the latest data and portfolio holdings available as at 30 September 2026.

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