

Responsible Income (£) (P)

Quarter 4 2025 (as at 31 December 2025)

Signatory of:



Investment Philosophy: We believe investing is a long-term assignment, and that prudent participation, with thoughtful diversification, is the optimal way to compound returns over time. We are focused on delivering performance aligned with clients' expectations, constructing our strategies via a carefully curated mix of asset classes, geographies, sectors and styles, to navigate markets more smoothly. Our dedication to continual improvement and innovation means we are always seeking to refine and improve our research, investment process, performance and communication.

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	86.30%
Annualised Return	4.60%
Annualised Volatility	4.10%
Maximum Drawdown	-8.04%



	3 Month	YTD	1 Year	3 Year	5 Year
Responsible Income	2.49%	9.21%	9.21%	23.27%	19.60%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	1.70%	0.33%	-1.12%	-0.48%	1.41%	0.99%	1.22%	0.90%	1.45%	1.77%	0.33%	0.37%	9.21%
2024	0.23%	0.53%	1.18%	-0.81%	0.97%	1.10%	0.74%	0.61%	0.61%	-0.42%	1.26%	-0.74%	5.36%
2023	1.95%	-0.86%	0.49%	0.35%	-0.21%	-0.23%	1.22%	-0.27%	-0.48%	-0.72%	2.77%	2.89%	7.02%
2022	-0.78%	-1.24%	-0.15%	-1.36%	-0.38%	-2.27%	1.51%	-0.08%	-2.13%	-0.11%	2.24%	0.34%	-4.42%
2021	-0.29%	-0.77%	-0.05%	0.94%	0.24%	0.56%	0.36%	0.61%	-0.42%	-0.48%	-0.08%	0.90%	1.52%
2020	0.69%	-1.10%	-7.02%	4.19%	2.50%	1.42%	1.25%	0.48%	-0.22%	-0.25%	2.69%	1.35%	5.70%

¹ Performance data is net of fund manager fees, but does not include CIIL, advisor or platform fees

Quarterly Commentary

The final quarter of 2025 capped a wild ride for financial markets. After a bullish start to the year, stocks suffered a 20% correction either side of 'Liberation Day', only to then push to new all-time highs. The rise of AI and associated infrastructure build-out remained a hot topic, with the US tech giants at the epicentre, however US stocks lagged the strong gains seen from equities in Europe, Asia and emerging markets. Fixed income enjoyed a steadier year despite increasing scrutiny around G7 debts and deficits. US Treasuries stabilised while yield curves steepened and global policy paths diverged. Corporate credit fared well on the back of solid fundamentals, low default rates and strong investor demand. Meanwhile, precious metals soared on a combination of fiat currency debasement fears and a broader market rotation towards scarce assets.

Our most cautious strategy made solid gains through the quarter, up 2.5%, taking the 2025 return to 9.2%. After Fiera Emerging Markets was the standout performer in Q3, value-biased Lightman European Equities (see [Featured Fund](#)) was the leading contributor in Q4, posting an 8.3% return, while all holdings were positive. For the full year, it was pleasing to see a very diverse list of the largest gainers, including emerging market equities and debt, convertible arbitrage, multi-asset strategies and strategic bond funds. Almost all allocations contributed meaningfully, with only our liquid macro and defensive equity exposures posting weaker figures, and in each case the funds used have delivered well for us historically. There was no trading in the quarter.

Asset Allocation



Fund Name	Weighting	Description	SFDR ⁵
Aegon Global Diversified Income	5.0%	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
Goldman Sachs Global Dynamic Bond Plus Portfolio	6.0%	Diversified strategic bond fund with low duration	8
Guinness Global Equity Income	5.0%	Defensive businesses steadily growing their dividends	8
Latitude Horizon	5.0%	Multi-asset approach combining global value stocks with fixed income	6
Lightman European Equities	5.0%	Value focused European equity stockpicker	8
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	8.0%	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	6.0%	Money market fund, as an alternative to cash	8
Cash	1.0%	Money waiting to be invested	
OCF: 0.73%² Equity Beta: 0.31³ Yield: 3.48% Bond Duration: 2.98yrs⁴			

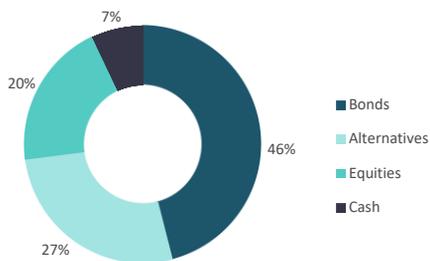
² Weighted ongoing charge figure - not including CIJL fees

³ A measure of an investment's sensitivity to global listed equities

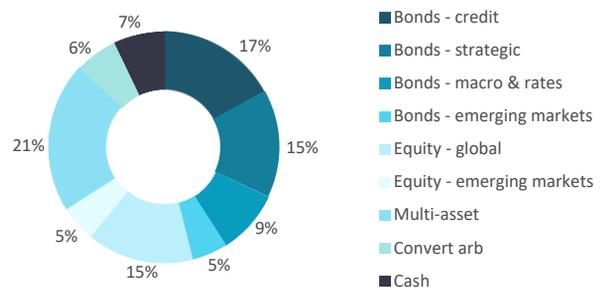
⁴ Sensitivity to interest rate changes – applied only to bonds

⁵ Sustainable Finance Disclosure Regulation – article classification

Asset Class Breakdown



Category Breakdown



Featured Fund

Lightman European Equities is a long-only equity strategy investing in primarily continental European equities, with a clear value bias, applied via a portfolio of 40-50 holdings. To avoid value traps, the value discipline is combined with a focus on businesses generating strong free cashflow, showing improving operational momentum, and underpinned by robust balance sheets. ESG factors are also integrated into the investment process, resulting in a steady, consistent risk/reward profile, demonstrating constrained downside volatility and low correlation to many equity funds. Key to the Lightman team's philosophy and approach is a firm belief that value investing has been shown to be a superior methodology over the long-term, with the 2010-2024 period – characterised by quantitative easing, ultra-low interest rates, and the rise of passive investing – representing more of an outlier. This has been a guiding belief of Fund Manager Rob Burnett, who has run European equity portfolios since 2005.

In 2025, the strategy capitalised very successfully on a rotation back in favour of value stocks in Europe, delivering compelling returns for our clients in the process. Despite this, the fund's portfolio still trades cheaply and offers a dividend yield close to 4%.



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