Responsible Real Return (€) (P)

Quarter 2 2026 (as at 30 June 2026)

Signatory of: PRI Principles for Responsible Investment

CAPITAL INTERNATIONAL

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 grow the real return of capital invested

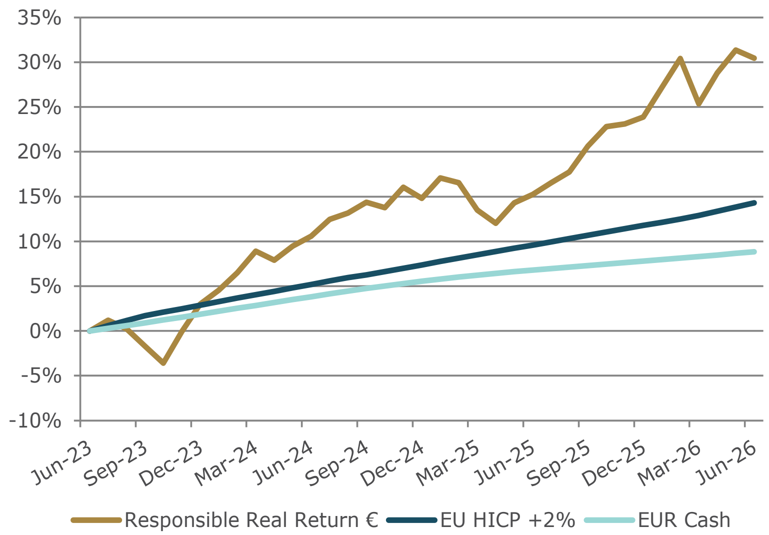
Target Outcome: EUR HICP +1% to 3% p.a. over a rolling 5-year period

Currency: euro

Risk Parameters: 15% maximum peak to trough drawdown, volatility in the range 8% to 13% annualised

Time Horizon: ≥ 5 years

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



Performance (net of fees)

Statistics Since Inception (October 2022)	
Total Return	32.27%
Annualised Return	7.74%
Annualised Volatility	5.75%
Maximum Drawdown	-4.73%

3 Month	YTD	1 Year	3 Year	5 Year
4.06%	5.31%	13.21%	30.46%	N/a

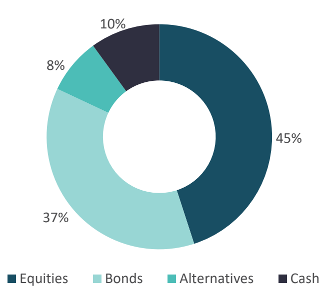
Quarterly Commentary

Risk assets moved higher across the second quarter, with many equity indices making new all-time highs. A key support came from easing tensions in the Middle East, as the US-Iran conflict edged towards an uneasy truce, oil prices fell back towards $70/barrel, and investor sentiment improved.

That said, the underlying picture was more nuanced. Market leadership was extremely narrow, with semiconductors and other AI-related hardware names doing the heavy lifting. With much of the tech giants' enormous capex currently being directed into data centre infrastructure, there is a clear logic to these dynamics, but we believe these may have been extrapolated too far in the near-term. Fixed income had a steadier quarter, but inflation remains elevated following the Hormuz Strait closure, leading central banks to err on the side of caution and take interest rate cuts off the table for the time being. In the US the Federal Reserve has adopted a more hawkish tone, as new Fed Chair Kevin Warsh seeks to establish credibility. Longer-term, we believe policymakers will prioritise supporting growth and financial markets when it comes to the crunch. Notably, the US continues to run large twin deficits (budget and trade) despite low unemployment, solid growth, and inflation which has been above target for more than five years.

Our strategies are somewhat cautiously positioned, mindful of elevated valuations and heightened speculative activity in Q2's leading trades, but we see plenty of opportunities in other segments and geographies, and we maintain substantial diversification through a combination of fixed income, real assets and alternatives. We have some dry powder available, ready to opportunistically add back to equity risk when the time is right.

Asset Class Breakdown



Contacts

Russell Waite

e: r.waite@capital-je.com

t: +44 1534 680860 **m:** +44 7797 741093

Ben Stott

e: b.stott@capital-je.com

t: +44 1534 680860 **m:** +44 7797 727705

www.capital-je.com