



Quarterly Investment Review Q1 2026
Quilter Cheviot Global Income & Growth Fund for Charities

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Market commentary

Quarter ended 31 March 2026

Global markets began 2026 on a positive note, with supportive economic data boosting sentiment despite geopolitical tensions and trade worries. UK and European equities outperformed the US, while strong GDP figures in the UK, eurozone and US helped sustain confidence. Political events—from President Trump’s actions in Venezuela and Greenland to his nomination of Kevin Warsh as the next Fed Chair—introduced volatility, though markets had often recovered quickly. AI investment continued to surge, with market reactions showing investors are increasingly selective about Big Tech’s spending and growth prospects. Sectors such as software and finance have been volatile as investors grapple with the implications of AI.

Sadly, the positive start to the year was erased following US and Israeli strikes on Iran, and the subsequent retaliation by Iran on assets across the Middle East including Dubai, the UAE and the world’s largest liquefied natural gas (LNG) facility in Qatar. The oil price spiked to over \$120 per barrel with the effective closure of the Strait of Hormuz leading many oil producing nations to reduce production as local storage facilities reached capacity. Government bond yields moved higher as the prospect of a more severe global inflationary shock and the need for higher interest rates to combat it was priced in.

Portfolio commentary

Having been usefully in positive territory for the majority of the first quarter a difficult March meant the **Fund declined by 0.7% during the quarter, lagging the QC Charity comparator which fell by 0.1%**. Frustratingly the principal reason for the short-term underperformance is technical. The Fund prices at midday and there was a significant rally in markets led by the USA on 31 March which was not captured by the 31 March Net Asset Value (NAV) but carried over to 1 April when the NAV rose by 1.5% in one day. **For the past 12 months the Fund returned 11.5% against an increase of 15.6% for the comparator**. As previously highlighted the performance comparator has an allocation to equities of 75% whereas the Fund typically holds an upper limit of 70% in the equity asset class to maintain the mandated medium risk

profile. For context, the peer group as measured by the ARC Steady Growth index is estimated to have fallen by 0.7% in Q1 and returned 10% over the past 12 months.

Our fixed interest investments were broadly defensive, limiting declines relative to gilts and global bonds, owing to our shorter duration positioning.

Equities were modestly negative overall primarily due to the USA but there were positive contributions from Europe, Asia Pacific, and the Emerging Markets as well as the specialist globally diversified AI fund. **Totalenergies (+46%) Shell (+31%) Bae Systems (+28%) Samsung (+40%) and Rio Tinto (+19%)** were the top contributors. Conversely, **Microsoft (-22%), Intuit (-33%), Amazon (-8%) Ares Management (-30%) and Meta (-12%)** were the largest detractors.

The alternative investments were positive led by Gold (+9%) with some of the infrastructure investments rebounding from oversold levels.

Significant Transactions

During February we exited **United Rentals** following a weak trading update that highlighted a slowdown in demand and lost patience with UK software reseller **Bytes**. The proceeds were used to fund a new investment in **Honeywell** which has good re-rating potential as the company divests of its Aerospace division in the third quarter of 2026. We accepted profits in **Enel** the

Italian power utility. The capital was deployed into **Engie**, the French listed power utility, a company focused on the transition towards a carbon neutral economy. We sold the remaining holding of **JPMorgan Global Core Real Assets** following receipt of the third liquidation payment. **Experian** was also sold and we increased our diversified **Emerging Markets** exposure through additional investments in the **JPMorgan, Driehaus and Pacific North of South** funds.

Outlook

Markets will remain focussed on the evolving conflict in the Middle East over the near term. This is a dynamic and fast evolving issue, and investors will want to understand the implications for energy prices as well as other commodities. At the time of writing, the market is rallying on news of a temporary ceasefire. If this allows the conflict to be resolved relatively quickly and there is a resumption of traffic through the Strait of Hormuz, then recent oil price increases may well reverse. However, a more protracted conflict is likely to have longer term consequences for energy prices which in turn would have implications for inflation and interest rate expectations and likely contribute to more uneven market behaviour across asset classes.

This does serve as a reminder that for long term investors, diversification across regions and sectors remains essential. There has yet to be an event from which markets have not recovered, including World Wars, financial crises, and pandemics. Time and again, cutting through the noise, focusing on market fundamentals, and sticking to an investment process and strategy that match an investor's risk profile and time horizon has proved to be the correct course of action to take.



Howard Jenner
Executive Director &
Fund Manager

Portfolio overview

As at 31 March 2026

Fund name	Quilter Cheviot Global Income & Growth Fund for Charities
Investment mandate	To grow the capital value and provide income over the long-term
Performance Comparator	12% iBoxx £ UK Gilts, 5.5% iBoxx Sterling Corporates, 30% MSCI UK IMI, 40% MSCI AC World Index ex UK, 10% Alternatives (50% iBoxx £ Gilts 1-5 Years/50% MSCI AC World Index (ACWI), 2.5% Bank of England Base Rate.
Inception date	08 January 2020
Lead portfolio manager	Howard Jenner
Total assets	£220,686,316

Performance overview

To 31 March 2026

	3 Months %	1 Year %	3 Year %	5 Year %	Since inception cumulative %	Since inception annualised %
Quilter Cheviot Global Income and Growth Fund for Charities	-0.7	11.5	30.6	33.5	46.7	6.3
Performance Comparator - composite of market indices*	-0.1	15.6	38.1	47.6	55.3	7.3
Benchmark CPI +3.5%	1.5	6.8	21.1	52.8	60.9	7.9
Peer Group Comparator - ARC Steady Growth Charity Index	-0.7	10.0	23.6	26.0	32.7	4.6
Relative Return to Performance Comparator	-0.6	-4.1	-7.5	-14.2	-8.6	-1.0
Relative Return to Benchmark	-2.2	4.7	9.6	-19.4	-14.3	-1.6
Relative return to Peer Group Comparator	0.0	1.5	7.0	7.5	14.0	1.7

*12% iBoxx £ UK Gilts, 5.5% iBoxx Sterling Corporates, 30% MSCI UK IMI, 40% MSCI AC World Index ex UK, 10% Alternatives (50% iBoxx £ Gilts 1-5 Years/50% MSCI AC World Index (ACWI), 2.5% Bank of England Base Rate. ARC returns for Q1 2026 are estimates. **Past performance is not a reliable indicator of future results.**

Portfolio overview

31 December 2025 to 31 March 2026

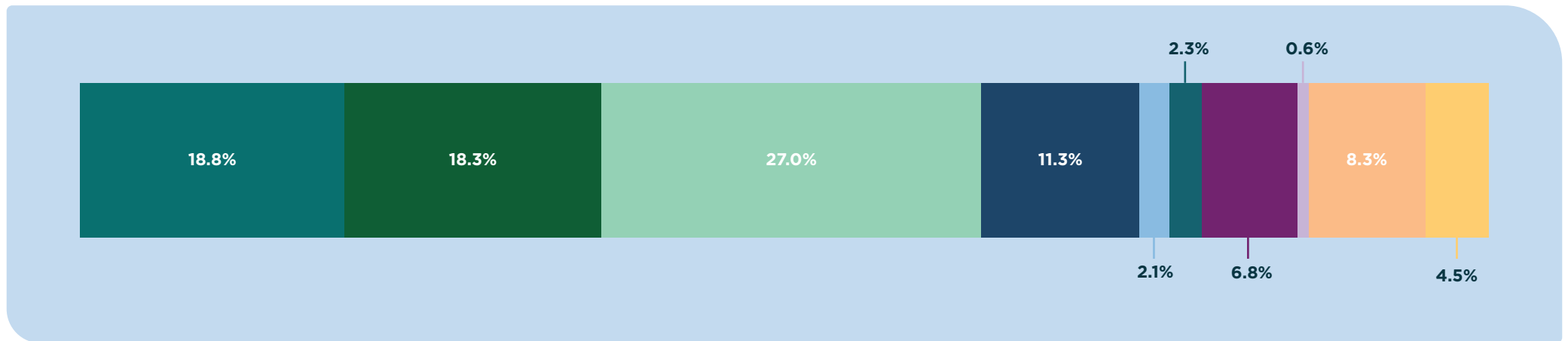
Fund name	£ Value
Value at beginning of period	£204,911,756.10
Net contributions/withdrawals	£16,963,307.84
Realised gains and losses	£1,214,702.52
Unrealised gains and losses	-£4,218,354.60
Cash dividends	£1,814,904.40
Value at end of period	£220,686,316.26

Income distributions

5 year history

Date of Distribution	Distribution per Unit
31 May 2020	0.6847p
31 August 2020	0.7332p
30 November 2020	0.6043p
28 February 2021	0.6231p
31 May 2021	0.8714p
31 August 2021	0.7872p
30 November 2021	0.8466p
28 February 2022	0.5578p
31 May 2022	0.9853p
31 August 2022	0.9074p
30 November 2022	0.8006p
28 February 2023	0.7089p
31 May 2023	0.9993p
31 August 2023	0.7642p
30 November 2023	0.8565p
29 February 2024	0.6605p
31 May 2024	1.09p
31 August 2024	0.8452p
30 November 2024	0.8733p
28 February 2025	0.717p
31 May 2025	1.1273p
31 August 2025	0.8768p
30 November 2025	0.7806p
28 February 2026	0.7405p

Portfolio asset allocation



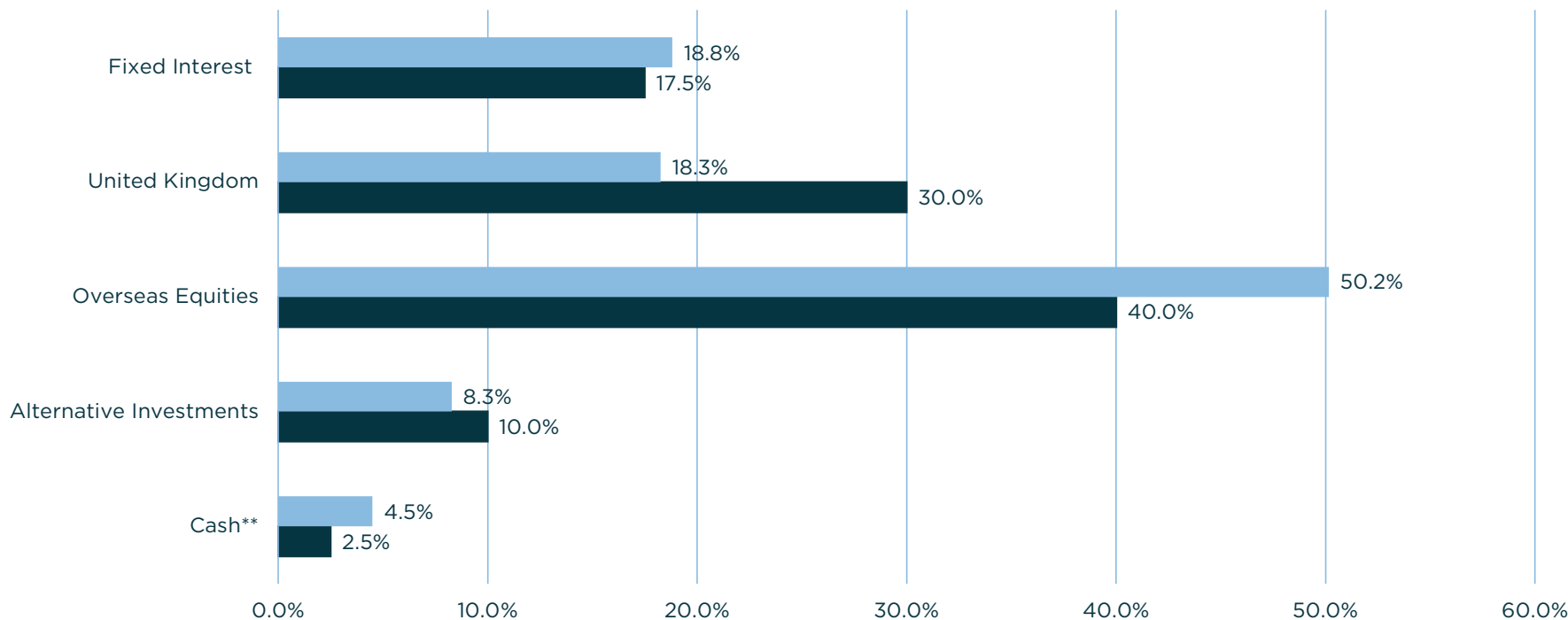
● Fixed interest	18.8%
● United Kingdom	18.3%
● North America	27.0%
● Europe ex. UK	11.3%
● Japan	2.1%

● Asia Pacific	2.3%
● Emerging markets	6.8%
● Global	0.6%
● Alternative Investments	8.3%
● Cash	4.5%

* Cash includes unsettled subscriptions to the Fund and unsettled trades.

Portfolio asset allocation

Portfolio positioning versus the Performance Comparator*



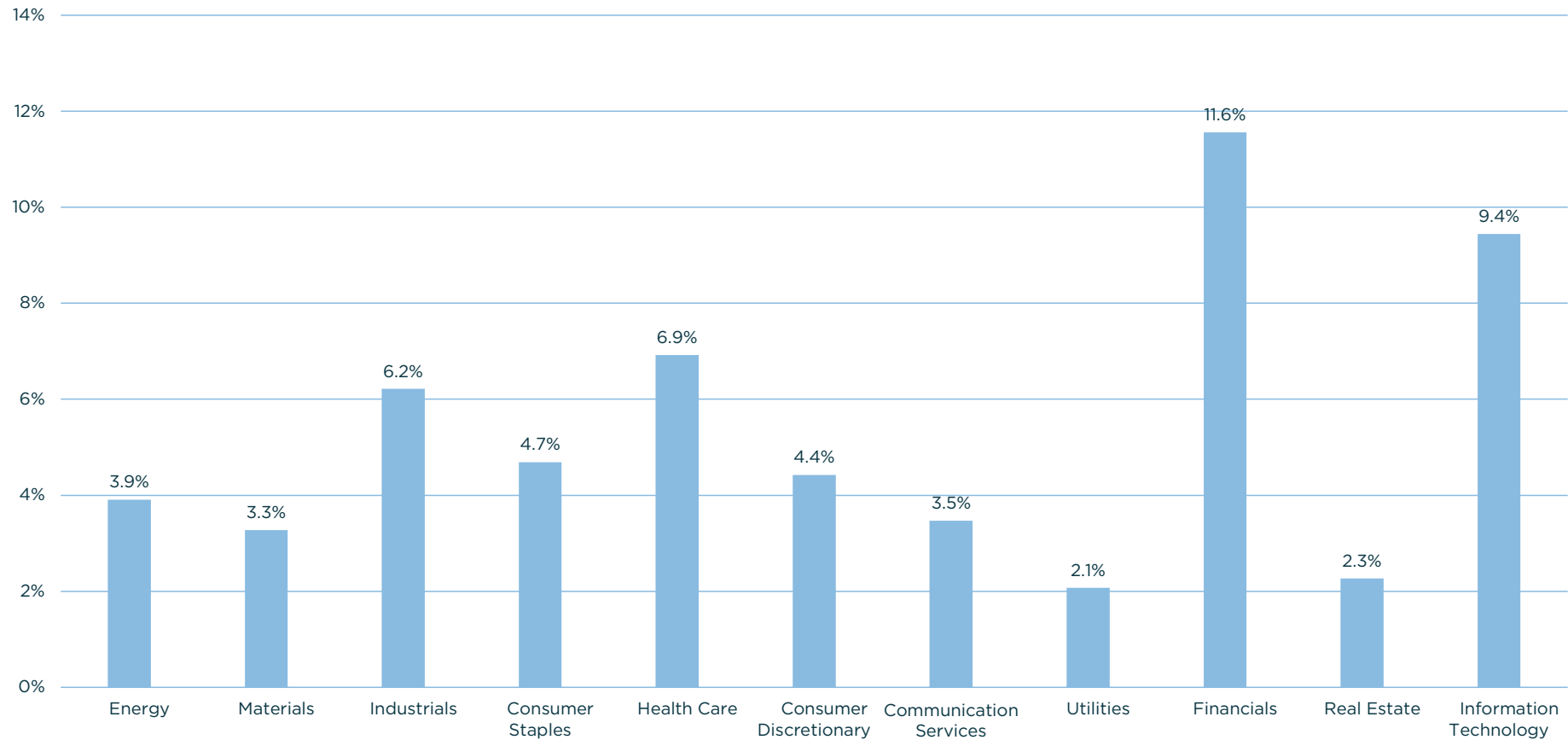
● Quilter Cheviot Global Income & Growth Fund for Charities

● Performance comparator - composite of market indices*

*12% iBoxx £ UK Gilts, 5.5% iBoxx Sterling Corporates, 30% MSCI UK IMI, 40% MSCI AC World Index ex UK, 10% Alternatives (50% iBoxx £ Gilts 1-5 Years/50% MSCI AC World Index (ACWI), 2.5% Bank of England Base Rate

** Cash position includes unsettled subscriptions to the Fund and unsettled trades.

Equities sector allocation*



* Shown as percentage of total Fund value

Top 20 holdings

As at 31 March 2026

Holding	Country	Sector	Weight %
Pacific North of South Emerging Markets	Emerging Markets	Equity Investment Instruments	3.17
Amazon	United Kingdom	Consumer Discretionary	2.17
Royal London Unit Trust Managers Sterling Credit	United Kingdom	Other UK Fixed Interest	2.07
Microsoft	North America	Information Technology	2.06
United Kingdom (Government of) 4.125% 29/01/2027	United Kingdom	UK Government Securities	2.05
Shell	United Kingdom	Energy	2.02
United Kingdom (Government of) 3.5% 31/01/2034	United Kingdom	UK Government Securities	1.99
TotalEnergies	Europe Ex. UK	Energy	1.89
Ishares Physical Gold	Global	Alternative Investments - Commodities	1.82
Rio Tinto	United Kingdom	Materials	1.78
JPMorgan Emerging Markets	Emerging Markets	Equity Investment Instruments	1.76
United Kingdom (Government of) 4.625% 31/01/2034	United Kingdom	Fixed Income	1.74
Heptagon Driehouse Emerging Markets Equity	Emerging Markets	Equity Investment Instruments	1.68
Premier Miton Corporate Bond	United Kingdom	Other UK Fixed Interest	1.56
Merck	North America	Health Care	1.54
BAE Systems	United Kingdom	Industrials	1.49
ING	Europe Ex. UK	Financials	1.47
United Kingdom (Government of) 4.5% 07/12/2042	United Kingdom	UK Government Securities	1.47
M&G Japan	Japan	Equity Investment Instruments	1.46
AstraZeneca	United Kingdom	Health Care	1.43

Top 10 contributors

As at 31 March 2026

Holding	Sector	Contribution to return
TotalEnergies	Energy	0.59
Shell	Energy	0.47
BAE Systems	Industrials	0.32
Samsung Electronics	Information Technology	0.30
Rio Tinto	Materials	0.30
Pacific North of South Emerging Markets	Equity Investment Instruments	0.21
Merck	Health Care	0.20
Equinix	Real Estate	0.20
ASML	Information Technology	0.16
Linde	Materials	0.14

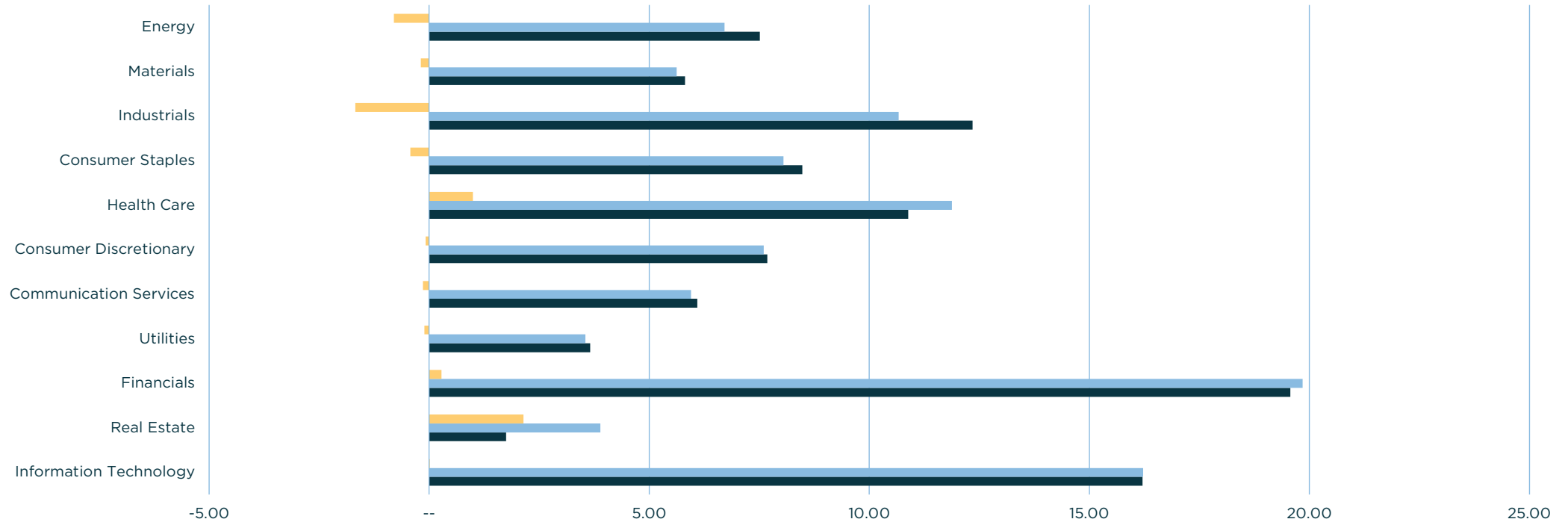
Top 10 detractors

As at 31 March 2026

Holding	Sector	Contribution to return
Microsoft	Information Technology	-0.70
Intuit	Information Technology	-0.29
Amazon	Consumer Discretionary	-0.29
Ares Management	Financials	-0.23
Meta Platforms	Communication Services	-0.21
Palo Alto	Information Technology	-0.20
Thermo Fisher Scientific	Health Care	-0.19
Visa	Financials	-0.17
ICG	Financials	-0.15
Relx	Industrials	-0.15

Sector asset allocation & attribution analysis - equities

Sector allocation comparison - direct equity positions only (rebased to 100)



- Quilter Cheviot Global Income & Growth Fund for Charities
- Performance comparator
- Difference

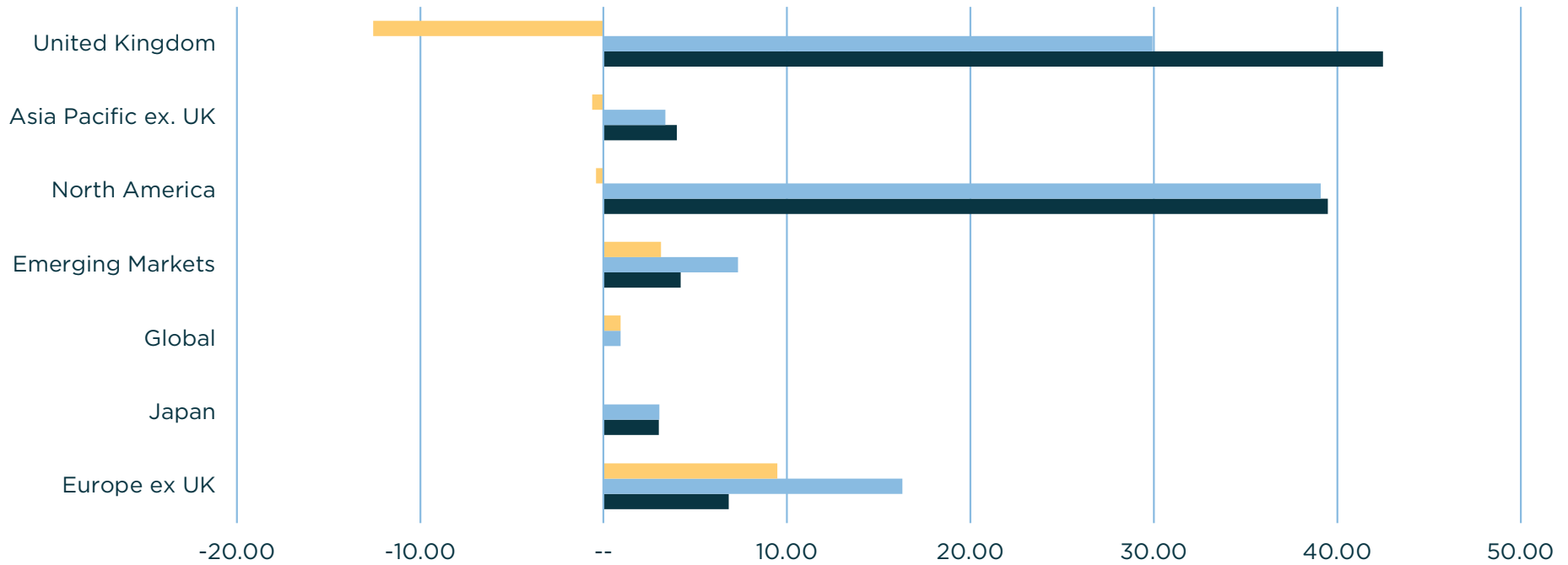
Sector asset allocation & attribution analysis - equities

Quarterly sector attribution – direct equity positions only

	Allocation	Selection (Incl. Interaction)	Total Attribution Effect
Consumer Staples	0.02	0.25	0.26
Real Estate	-0.07	0.27	0.21
Materials	-0.06	0.12	0.05
Health Care	0.02	-0.03	-0.01
Communication Services	0.03	-0.09	-0.06
Utilities	-0.06	-0.03	-0.09
Consumer Discretionary	0.09	-0.26	-0.18
Energy	-0.31	0.12	-0.19
Industrials	0.02	-0.22	-0.19
Financials	0.07	-0.78	-0.71
Information Technology	-0.07	-0.85	-0.92
Total	-0.20	-1.58	-1.78

Regional asset allocation & attribution analysis - equities

Regional allocation comparison - direct equity positions and funds holdings (rebased to 100)



- Quilter Cheviot Global Income & Growth Fund for Charities
- Performance comparator
- Difference

Regional asset allocation & attribution analysis - equities

Regional allocation comparison - direct equity positions and funds holdings

	Allocation	Selection (Incl. Interaction)	Total Attribution Effect
Europe ex UK	-0.23	0.95	0.71
Emerging	-0.14	0.63	0.49
Asia Pacific ex Japan	0.04	0.11	0.15
Global	0.08	--	0.08
Japan	0.03	-0.09	-0.06
UK	-0.34	-0.03	-0.37
North America	-0.03	-2.25	-2.28
Total	-0.17	-0.11	-0.28

Attribution summary - equities

Top Ten Contributors	Region	Sector	Security Return	Fund Weight - Average	Benchmark Weight - Average	Average Active Weight	Total Attribution Effect
TotalEnergies	Europe Ex. UK	Energy	44.79	2.48	0.09	2.39	0.92
Samsung Electronics	Asia Pacific Ex Japan	Information Technology	36.35	1.46	--	1.46	0.47
Equinix	North America	Real Estate	28.43	1.26	0.05	1.21	0.31
BAE Systems	United Kingdom	Industrials	27.92	2.29	1.00	1.30	0.31
Merck	North America	Health Care	14.23	2.40	0.18	2.22	0.28
Rio Tinto	United Kingdom	Materials	17.54	2.84	1.21	1.63	0.24
Linde	North America	Materials	19.21	1.34	0.14	1.20	0.21
ASML	Europe Ex. UK	Information Technology	20.44	1.49	0.33	1.16	0.19
Barclays	United Kingdom	Financials	--	--	1.01	-1.01	0.19
Unilever	United Kingdom	Consumer Staples	-5.96	0.75	1.73	-0.98	0.18

Top Ten Detractors	Region	Sector	Security Return	Fund Weight - Average	Benchmark Weight - Average	Average Active Weight	Total Attribution Effect
Microsoft Corporation	North America	Information Technology	-24.78	3.89	1.86	2.02	-0.66
BP PLC	United Kingdom	Energy	--	--	1.22	-1.22	-0.45
Intuit Inc.	North America	Information Technology	-32.66	1.05	0.08	0.96	-0.42
Ares Management Corporation	North America	Financials	-31.60	1.06	0.02	1.05	-0.39
Amazon.com, Inc.	North America	Consumer Discretionary	-11.67	3.43	1.33	2.10	-0.33
Thermo Fisher Scientific Inc.	North America	Health Care	-16.05	1.77	0.13	1.65	-0.30
Palo Alto Networks, Inc.	North America	Information Technology	-14.88	1.82	0.08	1.74	-0.30
Glencore plc	United Kingdom	Materials	--	--	0.80	-0.80	-0.26
Visa Inc. Class A	North America	Financials	-13.41	1.84	0.34	1.50	-0.24
ICG plc	United Kingdom	Financials	-25.51	0.84	0.08	0.75	-0.23

Key portfolio activity

For the period 31 December 2025 to 31 March 2026

Significant Purchases	Region	Sector	Rationale
Charities Property Fund	Equities - Global	Alternative Investments - Property	Added to the holding to top up our commercial property exposure following JPMorgan Global Core Real Assets disposal. The Charities Property Fund is a Common Investment Fund, which is an open ended investment vehicle, similar to a unit trust, but designed specifically for charities and established under Section 24 of the Charities Act 1993. Common Investment Funds are themselves charities with schemes approved and regulated by the Charity Commission. The fund is benchmarked against the AREF/MSCI All Balanced Property Funds. As a charity, the Fund is currently exempt not only from stamp duty land tax but also capital gains tax and income tax. The Fund's objective is to invest in property throughout the UK to provide a diversified portfolio. It aims to provide a high and secure level of income and to maintain the capital value of assets held. It will undertake forward funding of pre-let investments but not undertake speculative development.
Heptagon Driehaus Emerging Markets	Equities - Global	Collectives	Added to the existing holding to increase our diversified Emerging Market exposure. The fund is managed out of Chicago by portfolio managers Richard Thies, Chad Cleaver and Howard Schwab. The team combines top-down macroeconomic research, behavioural signals and bottom-up company analysis to identify stocks where they see earnings accelerating over the next 1-2 years. This results in a growth-biased portfolio investing in 80 - 120 companies within Emerging Markets. The fund is benchmarked against the MSCI EM NR USD.
Pacific North of South Emerging Markets	Equities - Global	Collectives	Added to the holding to increase our diversified Emerging Market exposure. The Pacific North of South EM All Cap Equity Fund employs a differentiated, value-orientated investment approach to investing in Emerging Markets. The team at North of South determines a country cost-of-capital which captures macroeconomic and political country specific risk, which is in turn used to determine a fair value for companies within the country. This process of combining top-down macroeconomic risk with bottom-up company analysis to identify undervalued stocks is a key differentiator and has enabled them to not only manage risk efficiently, but also added value from a currency and country allocation perspective. This results in a portfolio of 70-100 companies across the market cap spectrum within emerging market countries. The team aims to outperform the MSCI Emerging Markets Total Return index by 3-5% annually with a similar relative risk profile. This fund is benchmarked on MS against the MSCI EM NR USD.

Key portfolio activity

For the period 31 December 2025 to 31 March 2026

Significant Purchases	Region	Sector	Rationale
Engie	Equities - Global	Utilities	New holding. ENGIE (formerly GDF Suez) was formed from the merger of Gaz de France and Suez, though in 2020 sold their stake in Suez to Veolia to concentrate on energy and power networks. Gas networks in France is the main area of the business (35% of earnings) but renewables are growing (>30%). The group is present across the entire energy value chain, engaged in the production, network transportation, distribution and sale of natural gas, electricity and liquid natural gas (LNG). In power generation, the company has a balanced energy mix: natural gas, onshore wind, solar, hydro, Belgian nuclear, and batteries. The company also supplies energy services across Europe. The group operates in 40 countries across five continents and is the number one importer and buyer of LNG in Europe. The French State owns 23.64%.
JPMorgan Emerging Markets	Equities - Global	Collectives	Added to the existing holding to increase our diversified Emerging Market exposure. The fund is managed by Leon Eidelman and the well resourced EMAP team at JP Morgan. The portfolio will typically be made up of about 60-75 names representing medium to large cap companies across Emerging Markets. The team has a low turnover approach focusing on high quality companies with strong competitive advantages and sustainable growth characteristics. The strategy provides attractive exposure to the long term growth opportunities in global emerging markets. The fund is benchmarked against the MSCI EM NR USD.
VH Global Energy	Equities - Global	Alternative Investments - Infrastructure	Added to the existing holding by taking the opportunity to purchase at an attractive discount to NAV. ENRG targets a 10% IRR (net, ungeared). The trust's philosophy aims to tackle structural gaps in global energy markets through owning assets which are focused on accelerating energy transition. The trust focuses on the less competed for mid market assets and is expected to be diversified across technologies and countries. The fund is aiming to pay a 1p dividend in year 1 and 5p from year 2 with a progressive policy.

Key portfolio activity

For the period 31 December 2025 to 31 March 2026

Significant Purchases	Region	Sector	Rationale
Property Income Trust for Charities	Equities - Global	Alternative Investments - Property	Added to the holding to top up our commercial property exposure following JPMorgan Global Core Real Assets disposal. The Property Income Trust for Charities (PITCH) is a unit trust designed as a pooled property vehicle available to all UK charities and EU qualifying charities. It was established to permit qualifying vehicles to co-invest in UK property in a manner tax efficient for both income and capital. It also has the advantage of allowing properties to be acquired free of stamp duty land tax. The trust's objective is to invest in commercial property throughout the UK. It aims to deliver an income yield of 6%p.a. whilst at least maintaining the capital value in real terms. Income is distributed monthly. The fund operates both ethical and environmental policies and seeks to be a socially responsible investor. Benchmarked against the MSCI/AREF UK All Bal Prpty Fd TR GBP.
Honeywell	Equities - Global	Industrials	Honeywell is a large US-based multi-industrial split into four businesses: Aerospace, Building Automation, Industrial Automation and Energy & Sustainability Solutions. Its products and services include components for aerospace and defense, sensing and security technologies for buildings and homes, turbochargers, specialty chemicals, electronic and advanced materials, process technology for refining/petchem, and energy efficient products and solutions for homes, business and transportation. Management is in the process of simplifying of its conglomerate structure - separating the Automation and Aerospace businesses, spinning off Advanced Materials, and evaluating strategic alternatives for several other businesses.

Key portfolio activity

For the period 31 December 2025 to 31 March 2026

Significant Sales	Region	Sector	Rationale
United Rentals	Equities - Global	Industrials	Sold post results that highlighted a slowdown in end demand for its services.
JPMorgan Global Core Real Assets	Equities - Global	Alternative Investments - Property	Final distribution.
Bytes	Equities - Global	Information Technology	Sold due to losing patience following the latest underwhelming set of results.
Enel	Equities - Global	Utilities	Profits taken and proceeds used as source of funds for Engie purchase.
Experian	Equities - Global	Industrials	Sold as means to reduce UK exposure.

Voting and engagement for the Fund

Quarter ended 31 March 2026

Below we have outlined some examples of our engagement during the three months to the end of March 2026. In line with SRD II disclosure regulations we have, in the majority of cases, included the name of the company or fund. In some cases we will not, as this would be unhelpful in the long-term to the ongoing engagement process. This activity is part of the overall firmwide approach to responsible investment and is not specific to the Fund.

We use ISS as our proxy voting service provider and based on our responsible investment principles, ISS provides recommendations on each resolution companies put forward to shareholders. We do not always follow the ISS recommendations as, we believe, it is important that as responsible investment is integrated into our investment process, Quilter Cheviot makes up its own mind.

In all cases where we have a concern regarding a company, we make contact to discuss the issues ahead of the AGM.

SIEMENS - Environment

Objective: Siemens' Sustainability and Investor Relations teams proactively engaged with the Net Zero Engagement Initiative engagement group (comprising Quilter Cheviot, CCLA, and SCOR) to discuss its approach to its climate transition plan and related disclosures (e.g. TCFD, CSRD).

Our engagement was a discussion around Siemens' current climate disclosures and investors' views on how well Siemens aligns to (and sets) best practice in this area. Siemens had sent a list of questions prior to the meeting request, which our investor group had met beforehand to discuss.

The discussion focused on investor views around the value of third-party frameworks, the role of narrative versus metrics in reporting, and what 'good' looks like in corporate climate transition plans (CTPs).

Outcome: The discussion was useful in understanding what Siemens is evaluating in its CTP approach, and what areas it is examining for possible change. We especially appreciated the proactive approach in asking for feedback and visibly embracing many of our recommendations (as has been evidenced in our NZEI engagements). We decided to engage in Q2 as part of our regular Siemens NZEI engagements and provide an opportunity to go over its existing sustainability disclosures in more detail.

Voting and engagement for the Fund

Quarter ended 31 March 2026

ASTRAZENECA - Social

Objective: We engaged with a senior member of AstraZeneca's Investor Relations team to explore how this global biopharmaceutical company is managing the ethical risks of artificial intelligence (AI) across four focus areas: bias, explainability, privacy, and accountability. This dialogue builds on our prior thematic work and is part of a broader effort to understand how companies are deploying AI responsibly through balancing innovation with fairness, transparency, and strong governance. Our goal was to engage for information and confirm that AstraZeneca is not only leveraging AI for business and healthcare innovation but doing so in a way that is guided by ethical principles and maintains stakeholder trust.

AstraZeneca provided a detailed overview of its approach to ethical AI, demonstrating a solid commitment in several areas. The company has been integrating AI into large parts of its value chain, notably in drug research. In drug discovery, AstraZeneca combines its deep disease expertise with partner BenevolentAI's machine learning models to uncover hidden patterns in vast biomedical data. By 2024 this collaboration had yielded new drug targets for conditions like heart failure and lupus, which AstraZeneca then experimentally validated before advancing into costly development. Beyond identifying targets, AstraZeneca is also using generative AI for new product design, employing AI algorithms to propose novel therapeutic molecules (including complex biologics such as antibodies and proteins) with desired properties. This augments traditional research and development by efficiently suggesting chemical structures that scientists can further evaluate. The company has even begun automating certain routine but critical tasks with AI, for example, using large language models to draft, check, and translate regulatory documents for product filings in different countries. This automation of documentation, a traditionally laborious process, helps accelerate regulatory submissions while ensuring consistency and compliance across markets.

In late 2025, AstraZeneca underscored its commitments to the ethical undertaking of AI development by publishing a comprehensive set of Data and AI Ethics Principles to guide all AI projects company wide. AstraZeneca's AI strategy has a cautious, 'human-centric' approach. AI systems are viewed as tools to augment scientists and decision-makers, not replace them, especially in critical domains like drug targeting and discovery. The company highlighted that for any important decision influenced by AI, whether in drug development or patient care, human experts remain in control and AI outputs are subject to human review before implementation. One illustration is AstraZeneca's exploration of a 'self-driving' (highly automated) supply chain, where AI would assist in decisions to change suppliers or sourcing geographies. While this concept promises efficiency gains, the company has deliberately kept human oversight in the loop, recognising that regulators and patients are not ready to accept fully autonomous decisions without human sign-off. Similarly, an AI tool that AstraZeneca is co-developing for early disease detection (in partnership with Aptar, aimed at improving chronic kidney disease screening) will undergo rigorous human clinical validation before it is deployed at scale. Overall, AstraZeneca's approach to AI in its industry appears proactive and prudent: embracing AI's potential to accelerate innovation in drug discovery and healthcare, but with appropriate safeguards that keep expert judgment, patient safety, and public trust at the forefront.

Voting and engagement for the Fund

Quarter ended 31 March 2026

Outcome: The company has put in place a well-developed framework, including published principles, governance processes, and oversight mechanisms. It provided multiple examples evidencing how these are applied to its AI initiatives. We noted several strengths in AstraZeneca's approach: a forward-looking AI strategy tightly coupled with its business goals; an emphasis on fairness, transparency and patient safety in the design of AI systems; a willingness to invest in governance (e.g. dedicated frameworks and board-level attention); and proactive steps to prepare for upcoming regulations like the EU AI Act.

We also identified areas to watch as AI usage grows, such as the ongoing effort to maintain unbiased datasets and the challenge of scaling explainability for more complex AI models. Importantly, AstraZeneca's openness during the meeting, acknowledging where questions remain (for example, how to best implement some of the new regulatory expectations) are welcome - but also illustrative of the nascent development of governance and ethical safeguards across generative AI use. The widespread deployment of, particularly generative, AI is new and rapidly evolving. There was no change to AstraZeneca's responsible investment categorisation as a result of this engagement, reflecting our view that the company's practices continue to meet our expectations for ethical AI conduct. We will continue to monitor AstraZeneca's progress and engage on this topic as needed, expecting the company to sustain momentum in implementing its AI Ethics Principles. In particular, we anticipate AstraZeneca will keep balancing its cutting-edge AI-driven innovation with the necessary safeguards, ensuring that as the company reaps AI's benefits in drug development and healthcare, it also upholds fairness, accountability, transparency, and patient trust, which ultimately underpin long-term value creation.

RELX - Social

Objective: We engaged with the company's Global Head of Corporate Responsibility. The aim was to evaluate how this global information analytics provider is managing ethical risks of artificial intelligence (AI) across four focus areas: bias, explainability, privacy and accountability. This engagement builds on our 2025 project on AI and emissions and feeds into a broader effort to ensure companies deploy AI responsibly, balancing innovation with fairness, transparency and strong governance. Our ultimate goal is to engage for information on this topic and ensure that companies in our investment universe are not only innovating with AI, but doing so in a way that upholds fairness, protects rights, and earns public trust.

RELX provided a detailed overview of its approach to ethical AI, demonstrating notable leadership in some areas while acknowledging that certain industry-wide challenges remain. RELX has been integrating AI into its products for over two decades, initially through search and analytics tools, and was among the first legal information firms to introduce generative AI (i.e. AI capable of producing human-like text or analysis) in its solutions.

RELX affirmed that its board and executive leadership are directly involved in overseeing AI-related matters and responsibility is distributed rather than delegated entirely to an AI technical team. The company's Responsible AI Principle on accountability promises 'human oversight' and creating accountability for AI outcomes. In practice, RELX maintains a cross-functional senior management forum, led by the Global Head of Strategy with participation from the Chief Technology Officer, Chief Privacy Officer, Head of Data Security and others, that regularly briefs the board on AI developments and risks. RELX essentially embeds AI governance into existing structures.

The company stressed that AI in its offerings is designed to augment human experts rather than replace them and did reflect a cautious, human-centric deployment stance.

Voting and engagement for the Fund

Quarter ended 31 March 2026

Many examples were discussed but a particularly notable one was in RELX's science and medical division (Elsevier), where an AI-driven tool called ClinicalPath helps oncologists choose cancer treatments. Importantly, this system's recommendations are transparent (it cites clinical guidelines) and always subject to a doctor's approval, ensuring human oversight and patient safety. This is one illustration on RELX's strength in prioritising human authority in high-stakes AI applications. However, as RELX expands AI use (including new generative AI features in legal and risk analytics), it faces the ongoing challenge of maintaining this careful balance at greater scale. We discussed how relying on human oversight becomes more complex as AI systems grow more autonomous, and we encouraged RELX to continue stress-testing its controls so that efficiency gains from AI never undermine accountability.

Outcome: Our engagement with RELX on AI and ethics found the company to be generally on track in managing AI-related risks and responsibilities, with a well-developed framework and many commendable practices already in place. We particularly noted RELX's early adoption of 'Responsible AI Principles' and the thoughtful integration of these principles into product development and oversight. At the same time, as among most users and developers of AI, there is room for enhancement on certain fronts such as fuller public transparency of auditing processes and metrics. We were satisfied that RELX is aware of its ethical obligations and is taking appropriate steps to address them. It is worth highlighting that a large part of the data used by RELX is either proprietary or hard to access, which naturally increases the level of scrutiny and reliability of inputs - often leading to high quality, more easily audited outputs. This demonstrates that the governance and accountability of the data used in forming AI models can have a direct impact on ethical standards. Based on this discussion, we have confirmed that RELX's Responsible Investment rating will be maintained. We will continue to engage and monitor RELX, expecting the company to sustain momentum on ethical AI practices, balancing its strong innovation agenda with the evolving demands of fairness, accountability and trust in the age of AI.

LEGAL & GENERAL - Governance

Objective: We received a follow-up letter regarding the changes made to the 2026 remuneration proposal from the chair of the Remuneration Committee following consultation with shareholders, a process we participated in.

The letter outlined the changes made to the initial proposal following the shareholder consultation. A number of changes have been proposed in the final draft, one of which is clarification of the operation of strategic award mechanisms as part of the long-term incentive plan and clarification on the ESG element of strategic measures. This is something we advocated for during the consultation. The company has now re-implemented the disclosure of a quantitative threshold and maximum ranges as part of the climate dominant ESG component of the strategic award.

Outcome: This is a positive outcome. The changes made to the final draft are welcome and aligned with our response to the remuneration consultation. We are broadly supportive of the final draft policy.

Voting and engagement for the Fund

Quarter ended 31 March 2026

PRIMARY HEALTHCARE PROPERTIES - Governance

Objective: We participated in a shareholder remuneration consultation, coordinated by the Company Secretary, to provide feedback on the company's draft remuneration policy, to be put forward at the 2026 AGM.

Primary Healthcare Properties (PHP) REIT is looking to raise the salaries of both the CEO and CFO, as well as increasing the long-term incentive plan (LTIP) maximums for both executives. The increases will take place in two stages with a first salary rise taking place in 2026 (alongside the increase to LTIP) and a second salary increase taking place in 2027 if the merger with Assura REIT is successfully executed. The magnitude of the CEO and CFO salary increases (18% and 13% immediately, and cumulatively 38% and 23% by 2027) are significant but so is the transformational change in PHP's size, which will approximately double. On assessing peer data, executive pay has been behind the REIT sector median (and comparably sized FTSE company medians) for some time. These changes would bring post-merger total remuneration closer to both medians but still below.

Outcome: The remuneration proposal appears well-justified and balanced. Key best-practice safeguards - phasing, performance conditions, shareholder engagement, and staying within policy are all present. We indicated broad support, pending analysis of the final policy. We highlighted the need for clearly disclosed rationales for any second stage increase in 2027. Our responsible investment categorisation remains stable.

SAAB - Governance

Objective: We contacted the Investor Relations team to raise concerns related to a number of topics being put forward to shareholders at the 2026 AGM.

Highlighted issues included an over boarded director, use of unequal voting rights and the annual performance period of the long-term incentive plan. One non-executive director holds four company positions (one as an executive and two as chair) raising questions regarding the director's ability to allocate sufficient time to these positions. Two directors are representatives of a significant shareholder, who also benefits from an unequal voting structure. Unequal voting structures are not something with typically support. Also of concern are three items related to the approval of the 2027 long-term incentive plan, of which 90% of awards are measured over a one-year period. This is not sufficiently long-term in nature, with best practice typically measuring performance targets over a period of three years.

Outcome: We voted against management on all director election items related to over-boarding and unequal voting rights. We also voted against all remuneration items related to the 2027 long term incentive plan. We contacted the company who did not immediately respond to our request for dialogue but have since been in touch to arrange an engagement prior to the 2027 AGM.

Voting and engagement for the Fund

Quarter ended 31 March 2026

THE RENEWABLES INFRASTRUCTURE GROUP - Governance

Objective: To engage with the chair to understand the implications, rationale, and strategic direction following the abandoned merger discussions between TRIG and another infrastructure trust (HICL).

The proposed merger was called off following significant opposition from HICL shareholders. There was significant shareholder backlash citing concerns around valuation, asset-class mismatch, and the perceived disproportionate benefit to TRIG which ultimately led HICL to withdraw and conclude that it could not proceed without substantial majority support from its investors.

As investors in both HICL and TRIG, it was important for us to speak with the chair and understand TRIG's perspective following the dissolution of the proposal. The meeting focused on the implications of returning to a standalone strategy, performance, shareholder value, and the governance considerations raised throughout the process.

Outcome: The discussion provided insight into TRIG's plans going forward as a standalone strategy. The meeting confirmed the current categorisation of the Fund.

Voting and engagement for the Fund

Quarter ended 31 March 2026

Over the first quarter we voted at:



7x Votes against management

Key voting activity:

1x vote supporting (against management) the provision of right to act by written consent (Shareholder proposal)

1x vote against management on Amending Articles/ Bylaws/Charter -- Non-Routine

1x vote against management on Approving Issuance of Equity or Equity-Linked Securities with or without Preemptive Rights

1x votes against transacting other businesses

3x votes against electing / re-electing director

It is important to note that on a number of occasions having engaged with the relevant company we did not follow ISS' recommendations.

Portfolio holdings

As at 31 March 2026

Description	Price	% of Total	Estimated yield %
Fixed Interest - United Kingdom			
<i>UK Government Securities</i>			
United Kingdom(Government Of) 4.125% Bds 29/01/2027 GBP 1000	£99.82	2.05	4.13
United Kingdom(Government Of) 4.125% Bds 22/07/2029 GBP 1000	£99.09	1.00	4.16
United Kingdom(Government Of) 3.25% Bds 31/01/2033 GBP 1000	£91.84	1.99	3.54
United Kingdom(Government Of)4.625% Bds 31/01/2034GBP 1000	£99.12	1.74	4.66
United Kingdom(Government Of) 4.5% Gilt Snr 07/12/2042 GBP1000	£90.57	1.47	4.97
United Kingdom(Government Of) 4.25% Snr Bds 07/12/2046 GBP1000	£84.90	0.98	5.01
<i>UK Index Linked Securities</i>			
United Kingdom(Government Of) 2% I/L Gilt Bds 26/01/2035 GBP1000	£243.44	1.02	0.82
<i>Other UK Fixed Interest</i>			
A2D Funding II Plc 4.5% Gtd Snr Nts 30/09/2026 GBP100'Regs'	£99.59	0.45	4.52
Motability Operations Group Plc 4.375% Gtd Snr EMTN 08/02/27 GBP1000000'7	£99.42	0.51	4.40
National Grid Electricity Dist West 4% Snr EMTN 08/06/2027 GBP 100000	£98.68	0.51	4.05
European Investment bank 3.75% Snr Bds 07/12/27 GBP1000 1926/0100	£98.75	0.51	3.80
Royal Bank of Canada 5.0% Snr Nts 24/01/2028 GBP 100000	£99.90	0.50	5.00
Places for People Homes Ltd 3.625% Gtd Snr EMTN 22/11/28 GBP1000'10'	£95.79	0.48	3.78
British Telecommunications 5.75% Snr Bds 07/12/2028 GBP1000 'Regs'	£101.43	0.50	5.66
London & Quadrant Housing Trust 2.25% Snr Sec Nts 20/07/2029 GBP 100000'A'	£90.60	0.49	2.48
Apple Inc 3.05% Snr Nts 31/07/2029 GBP 100000 'SEC'	£95.17	0.50	3.20
Premier Portfolio Managers Ltd Miton Corporate Bd Monthly Income C Inc	£0.72	1.56	4.85
Royal London Bond Funds ICVC Royal London Sterling Credit Z GBP Dis	£1.22	2.07	5.59
Sequoia Economic Infrast Inc Fd Ltd NPV	£0.77	0.49	8.98

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Equities - Global			
Energy			
<i>Oil, Gas & Consumable Fuels</i>			
Shell Plc ord EURO.07	£35.62	2.02	3.05
Totalenergies SE EUR2.5	€ 80.18	1.89	4.20
Materials			
<i>Chemicals</i>			
Linde Plc Com EURO.001	\$499.26	0.89	1.29
Metals & Mining			
Anglo American	£31.31	0.60	0.55
Rio Tinto ord GBPO.10	£68.50	1.78	4.38
Industrials			
<i>Aerospace & Defense</i>			
BAE Systems ord GBPO.025	£21.88	1.49	1.65
Saab AB NPV B	SEK 605.10	0.54	0.39
<i>Electrical Equipment</i>			
Emerson Electric Co Com USD0.54945	\$123.30	0.93	1.69
Rockwell Automation Inc Com USD1	\$348.51	0.89	1.54
<i>Industrial Conglomerates</i>			
Honeywell International Inc Com USD1	\$223.48	0.71	2.11
Siemens AG NPV(Regd)	€ 206.55	0.55	2.60

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Professional Services			
Relx Plc GBP0.1444	£24.83	0.62	2.73
Transportation Infrastructure			
Canadian Pacific Kansas City Ltd Com NPV	C\$77.52	0.48	0.83
Consumer Discretionary			
Textiles, Apparel & Luxury Goods			
Adidas AG NPV (Regd)	€ 134.88	0.36	2.05
Compagnie Financiere Richemont SA CHF1 (Regd)	CHF 137.38	0.57	2.17
Hotels, Restaurants & Leisure			
Compass Group Plc ord GBP0.1105	£20.96	1.00	2.32
Whitbread ord GBP0.76797385	£23.03	0.32	4.22
Internet & DMR			
Amazon Com Inc Com USD0.01	\$200.95	2.17	-
Consumer Staples			
Multiline Retail			
Marks & Spencer Group ord GBP0.01	£3.39	0.97	1.12
Beverages			
Coca-Cola Co Com USD0.25	\$76.27	1.05	2.79
Diageo Ord GBP0.28 101/108	£14.17	0.74	4.49

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Food Products			
Mondelez Intl Inc Com NPV	\$58.25	1.05	3.47
Nestle SA CHF0.10 (Regd)	CHF 78.82	0.46	3.95
Personal Products			
Unilever ord GBPO.031111	£45.40	0.42	3.76
Health Care			
Health Care Equipment & Supplies			
Stryker Corp Com Stk USD0.10	\$326.10	0.53	1.07
Biotechnology			
Roche Holdings AG Genusscheine NPV	CHF 315.80	0.51	3.11
Pharmaceutical			
Astrazeneca ord USD0.25	£147.21	1.43	1.61
Merck & Co Inc Com USD0.50	\$118.10	1.54	2.83
Novartis AG CHF0.50 (Regd)	CHF 120.98	0.78	3.06
Sanofi EUR2	€ 83.14	0.61	4.98
Zoetis Inc Com USD0.01 CI 'A'	\$116.33	0.54	1.79
Life Sciences, Tools & Services			
Thermo Fisher Scientific Ord	\$480.05	0.97	0.38
Financials			
Banks			
BNP Paribas EUR2	€ 81.54	0.47	6.37
HSBC Holdings Ord	£12.16	1.27	4.64
Ing Groep N.V. EURO.01	€ 22.01	1.47	5.69
JPMorgan Chase & Co. Com USD1.00	\$283.77	1.24	2.04
Nordea Bank Abp	SEK 161.65	0.70	6.52

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
<i>Diversified Financial Services</i>			
M&G Plc Ord GBP0.05	£2.73	0.80	7.54
<i>Capital Markets</i>			
Ares Management Corporation Com USD0.01 Class A	\$107.66	0.74	4.95
ICG Plc ord GBP0.2625	£15.24	0.44	5.55
London Stock Exchange Group ord GBP0.06918604	£87.65	0.79	1.69
<i>Insurance</i>			
Allianz Se (Regd)(Vinkuliert)	€ 359.20	0.71	4.76
Legal & General Group ord GBP0.025	£2.46	0.61	8.85
Marsh & McLennan Companies Inc Com USD1.00	\$174.72	0.66	2.08
Prudential GBP0.05	£10.33	0.43	1.94
<i>Information Technology</i>			
<i>IT Services</i>			
Visa Inc Com Stk USD0.0001 'A'	\$299.54	1.23	0.89
<i>Software</i>			
Intuit Inc Com USD0.01	\$429.03	0.76	1.11
Microsoft Corp Com USD0.00000625	\$358.96	2.06	0.98
Palo Alto Networks Inc com USD0.0001	\$154.35	1.27	-
<i>Technology Hardware, Storage & Peripherals</i>			
Apple Inc Com USD0.00001	\$246.63	0.95	0.41
Samsung Electronics REG S GDR	\$2,736.00	0.70	0.77

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Semi Conductors & Semiconductor Equipment			
Advanced Micro Devices Inc Com Stk USD0.01	\$196.04	0.67	-
ASML Holding NV EUR0.09	€ 1,105.70	0.87	0.67
Broadcom Inc Com USD0.001	\$193.41	0.37	0.84
Nvidia Corp Com USD0.001	\$165.17	1.13	0.02
Taiwan Semiconductor Manufacturing Spon ADS Each Rep 5 Ord TWD10	\$316.50	0.65	0.82
Communication Services			
Wireless Telecom Services			
T-Mobile Inc Com USD0.00001	\$213.94	0.55	1.88
Entertainment			
Netflix Inc Com USD0.001	\$92.97	1.12	-
Interactive Media & Services			
Alphabet Inc Cap USD0.001 CI C	\$273.14	0.64	0.29
Meta Platforms Inc Com USD0.000006 CI 'A'	\$536.38	0.94	0.37
Tencent Holdings Ltd HKD0.00002	HK\$484.00	0.21	1.10
Utilities			
Multi-Utilities			
Engie EUR1	€ 27.82	0.77	4.87
National Grid ord GBPO.12431289	£12.78	1.30	3.72
Real Estate			
Equity Real Estate Investment Trusts			
British Land Co Plc ord GBPO.25	£3.59	0.71	6.44
Equinix Inc Com USD0.001	\$964.05	0.89	2.11

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Collectives			
<i>Closed End Investments</i>			
Blackrock Throgmorton Trust ord 5p	£5.14	0.51	3.63
Schroder Oriental Income Fund ord GBPO.01	£3.55	0.56	3.40
<i>Unit Trusts</i>			
Baillie Gifford & Co Japanese Income Growth W4 Dis	£1.47	0.63	2.18
Fidelity Investment Funds Fidelity Asia Pacific Opps	£1.49	0.40	0.89
Heptagon Fund ICAV Driehaus Emerging Markets Equity QG GBP	£130.42	1.68	-
JPMorgan Fund ICVC JPM Emerging Markets C Net Dis	£2.25	1.76	0.72
M&G Investment Funds M&G Japan Sterling PP Dis	£1.77	1.46	1.79
Pacific Capital UCITS Funds Plc Pacific North of South EM	€18.18	3.17	2.77
Polar Capital Funds Plc Automation & Artificial Intel S GBP Cap	£26.74	0.64	-
Alternative Investments			
<i>Infrastructure</i>			
Foresight Solar Fund Ltd	£0.62	0.31	13.15
Greencoat UK Wind ord GBPO.01	£0.98	0.29	11.03
HICL Infrastructure Plc ord GBPO.0001	£1.18	0.67	7.04
International Public Partner ord GBPO.0001	£1.29	0.87	6.87
Primary Health Properties	£0.92	0.66	8.04
The Renewables Infrastructure Grp Ord NPV	£0.65	0.35	11.82
VH Global Sustainable Energy Opps Plc ord GBPO.01	£0.71	0.90	8.06
<i>Commodities</i>			
Ishares Physical Metals Plc Ishares Physical Gold ETC USD (GBP) Acc	£66.86	1.82	-

Portfolio holdings continued - as at 31 March 2026

Description	Price	% of Total	Estimated yield %
Property			
Abrdn European Logistics Income Plc ord GBPO.01	£0.28	0.18	12.53
Property Income Trust for Charities	£0.76	0.99	5.20
Charities Property Fund Income	£1.21	0.63	4.72
Private Equity			
NB Private Equity Partners Limited Class'A'Ord Shs USD0.01	£13.20	0.60	5.37
Cash Products			
Cash - GBP	£1.00	3.50	
Royal London Bond Funds ICVC Royal London Shrt Term Money Mkt Y Dis	£0.97	0.99	4.16

The Fund team



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