Global Flexible Fund

▶ Contrarian. Flexible. Patient.

NEDGROUP INVESTMENTS

October 2026 update | ISIN for Class C USD:IE00BKXGFM15

MARKETING COMMUNICATION

MONTHLY PORTFOLIO UPDATE

Our investment approach

- We target equity-like returns with less risk than the market over a full market cycle.
- Portfolio construction is driven by bottom-up fundamental research and valuations, agnostic of market indices.
- We patiently seek undervalued, out-of-favour opportunities across asset class and capital structure.
- We hold cash when prudent to protect against downside risks.

Portfolio Management Team



Brian A. Selmo

24 years in the industry



Steve Romick

39 years in the industry



Mark Landecker

23 years in the industry

In this monthly note, we share the Fund's return drivers over recent periods, current portfolio positioning and put the spotlight on a stock bought/sold.

Performance and markets

October's headline market returns masked significant volatility as uncertainty around artificial intelligence intensified, prompting a rotation away from the technology companies that have dominated market returns. Against this backdrop, the Fund benefited from its differentiated equity holdings and flexible investment approach, returning 1.0% during the month versus -0.8% for the MSCI World Index. Year to date, the Fund returned 7.9% versus 10.9% for the index, in US dollar terms.

While defensive sectors led markets during the month, equity returns were driven by a range of mission-critical businesses with durable earnings growth. This reinforced the value of diversifying return drivers across businesses, rather than relying on the same sources of returns dominating equity markets.

Within Financials, recent addition Arthur J. Gallagher and long-standing holding AON were among the leading contributors. Both operate in insurance brokerage, with capital-light business models, recurring client relationships and attractive long-term growth prospects. Returns were supported by strong operational performance and investor rotation towards more defensive areas of the market. AON has been held for approximately 18 years in the reference strategy, reflecting the team's long-standing conviction in the industry's economics.

Consumer Staples also contributed positively, led by Heineken, Kerry Group and Magnum Ice Cream. These businesses operate across different end markets but share attractive characteristics, including established brands, recurring demand and opportunities to improve earnings through pricing, innovation and operational execution.

Healthcare remained an important source of returns. Becton Dickinson, Eurofins Scientific and ICON delivered double-digit returns during October and year to date. Recent addition Waters has been a particularly strong performer, returning more than 70% since entering the portfolio following its merger with Becton Dickinson's spun-out Life Sciences & Diagnostics business. These holdings reflect the opportunities we have identified across healthcare, from essential medical products and diagnostics to businesses supporting pharmaceutical research and development. Importantly, they represent distinct sources of earnings growth rather than a single bet on a recovery in life sciences spending.

International Flavors & Fragrances also contributed within Materials, as the company continues to simplify its portfolio and focus on improving profitability and cash generation.

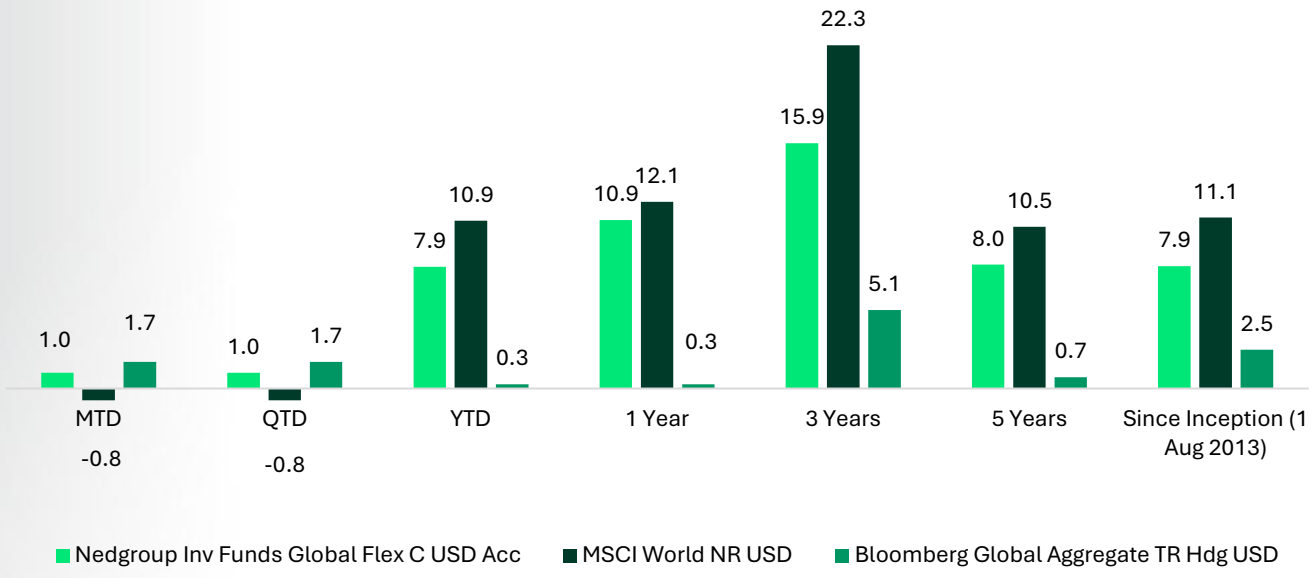
Beyond equities, the Fund's flexible mandate allows us to allocate capital to money market instruments to help manage downside risk while preserving liquidity. Elevated interest rates have improved the returns available on these holdings, while our exposure to US Treasury Inflation-Protected Securities (TIPS) provides an additional source of downside protection against inflation risk, without taking on corporate credit risk. These allocations reflect bottom-up investment decisions rather than a top-down view on the direction of markets.

During the month, we exited our long-standing position in Wells Fargo as the shares reached our assessment of fair value. The decision was valuation-led rather than reflecting a deterioration in the underlying investment thesis. This discipline remains central to how we allocate capital, whether investing in equities or fixed income.

October reinforced the importance of looking beyond headline market returns and understanding the underlying drivers of portfolio performance. We continue to take advantage of opportunities created by market volatility, investing in durable businesses where valuations offer attractive prospective returns, while maintaining the flexibility to hold liquid assets when opportunities are less compelling. Our objective remains to deliver equity-like returns with lower volatility over the long term, without relying on any single market outcome.

Fund performance

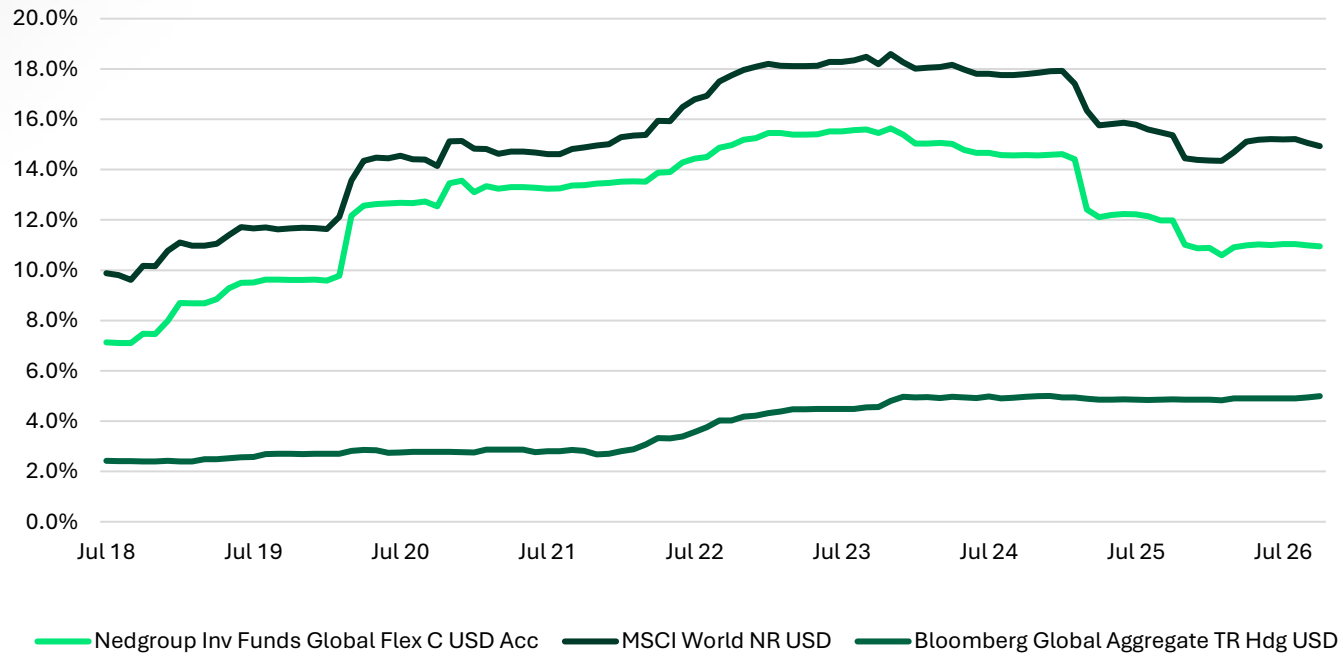
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/08/2013 Source: Morningstar, data to 31 October 2026.
Returns for periods greater than one year are annualised.
Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

Rolling 5-year volatility (%, net in US$)

Past performance is not indicative of future performance and does not predict future returns



Source: Morningstar, data to 31 October 2026.
Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

Fund returns are in US$ based on Class C since 1 August 2013. MSCI index returns are with net dividends reinvested. Rolling volatility based on rolling 5-year US$ returns. Source: Morningstar, Nedgroup Investments.

Key return drivers

Month to date

Contributors		Detractors	
Arthur J. Gallagher & Co	0,30%	Alphabet	-0,79%
Heineken	0,26%	Meta Platforms	-0,37%
International Flavors & Fragrances	0,23%	Safran	-0,26%
Becton Dickinson	0,18%	Citigroup	-0,10%
Eurofins Scientific	0,18%	Azelis Group	-0,10%

Year to date

Contributors		Detractors	
Analog Devices	1,46%	Naspers & Prosus	-0,58%
International Flavors & Fragrances	0,66%	Jefferies Financial Group	-0,28%
McDermott International	0,58%	Alphabet	-0,23%
Azelis Group	0,47%	Charter Communications	-0,20%
Arthur J. Gallagher & Co	0,44%	Comcast Corporation	-0,20%

Sector contribution	Month to date	Year to date
Equities	***1,22%***	***7,47%***
Communication Services	-1,04%	-0,91%
Consumer Discretionary	-0,05%	0,18%
Consumer Staples	0,64%	1,01%
Energy	0,02%	0,27%
Financials	0,38%	0,20%
Health Care	0,64%	2,15%
Industrials	-0,27%	1,27%
Information Technology	0,58%	2,13%
Materials	0,31%	1,16%
Real Estate	0,03%	0,01%
Fixed Income	***0,20%***	***1,16%***

Contribution data as of reporting month end. Source: FPA, Factset.

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	**0,72%**
Corporate Bonds	0,48%
Convertible Bonds	0,24%
Equities	**63,00%**
Communication Services	8,3%
Consumer Discretionary	6,0%
Consumer Staples	5,7%
Energy	0,6%
Financials	6,7%
Health Care	9,3%
Industrials	10,9%
Information Technology	8,4%
Materials	6,2%
Real Estate	1,0%
Utilities	0,0%
Cash & equivalents*	**36,28%**
Total	**100.00%**

** Includes money market securities.*

Regional breakdown	Equity weight	Fixed income weight
North America	35,20%	0,28%
Europe ex UK	22,04%	0,44%
Japan	2,68%	0,00%
Emerging Markets	2,46%	0,00%
United Kingdom	0,39%	0,00%
China	0,22%	0,00%
Total	**63,00%**	**0,72%**

Top 5 equity holdings		Portfolio weight
Alphabet Inc	Communication Services	3,7%
Analog Devices Inc	Information Technology	3,3%
International Flavours & Fragrances	Materials	2,3%
Meta Platforms Inc	Communication Services	2,1%
Azelis Group	Industrials	2,1%

Stock spotlight: Kerry Group

Kerry Group is a global leader in taste and nutrition solutions, partnering with foodservice operators and consumer brands to improve the taste, texture, nutrition and functionality of food and beverage products. Its combination of technical expertise, formulation capabilities and specialised ingredients has helped establish deep customer relationships and a strong competitive position.

- **Current Dynamics:** Kerry Group has been part of the investment universe for more than a decade, but historically included slower-growing businesses such as cereal and confectionery that reduced the attractiveness of the overall portfolio. Over time, management has reshaped the business by divesting less attractive operations and increasing its exposure to more differentiated areas such as enzymes, probiotics, prebiotics and other taste and biotechnology solutions. Following unusually strong conditions during COVID, the subsequent normalisation in food and ingredients markets weighed on earnings expectations and the share price, creating a more attractive entry point during 2026.

- **Strategic Positioning:** Kerry's competitive advantage lies in its ability to solve complex customer problems rather than simply supply individual ingredients. In foodservice, the company works with large restaurant chains to improve areas such as freshness, product consistency, shelf life, flavour and formulation, often developing solutions that can be rolled out across thousands of locations. For consumer brands, Kerry combines capabilities across flavour, protein, preservation, enzymes and nutrition to help customers develop and improve products. This positions the business to benefit from structural trends including health and wellness, higher-protein foods, convenience, premiumisation and the reformulation of products around sugar, salt and other ingredients.

- **Investment Thesis:** Kerry Group represents a high-quality franchise that has become increasingly attractive as the business has simplified its portfolio and focused capital on its most differentiated capabilities. The investment case is supported by three main drivers: (1) continued volume growth, supported by innovation and deeper customer relationships; (2) margin improvement, as the more focused portfolio and ongoing efficiency initiatives support profitability; and (3) the durability of Kerry's customer relationships, where technical expertise and integration into customers' product-development processes create value beyond simply supplying ingredients. The normalisation in industry conditions provided an opportunity to establish a meaningful position at a more attractive valuation, while the underlying quality and long-term growth potential of the business remained intact.

This position was 1.10% of the portfolio as at month-end.

Positioning information as of reporting month end. Some differences may exist due to rounding. Source: FPA, Nedgroup Investments.

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Risks and fees are outlined in the relevant Sub-Fund supplement.
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