

Global Flexible Fund

► Contrarian. Flexible. Patient.



September 2026 update | ISIN for Class C USD:IE00BKXGFM15

MARKETING COMMUNICATION

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

September was a difficult month across major regional equity markets, with only Technology and Communication Services ending the month in positive territory. Beneath the headline indices, the picture remained very different. AI-related stocks remained strong, while parts of the US market outside AI experienced considerable weakness. This has created opportunities across healthcare, housing-related businesses, companies further down the market-cap spectrum as prices and expectations have reset.

Over September, the Fund returned -2.1% versus -1.1% for MSCI World. Year to date, the Fund returned 6.8% versus 11.8%, and over one year 10.6% versus 15.2%, in US dollar terms.

Year to date, Industrials, Information Technology and Health Care have been important contributors, with Analog Devices, Azelis and Alphabet among the leading individual contributors. Cash and equivalents have also contributed positively.

Healthcare has been an important area of activity following weakness across the sector, with the weighting increasing from 4.6% to 8.9% over the past year. Becton Dickinson is now a top 10 holding after weakness driven by softer demand in China and vaccine-related products, alongside disruption in its infusion-pump business. The China and vaccine headwinds have largely been absorbed, shifting attention to the path back towards mid-single-digit growth. Baxter and Avantor present turnaround opportunities under new management, while Thermo Fisher is a higher-quality business where the key risk is whether growth meets higher expectations.

Industrials have also become a larger part of the portfolio, increasing from 6.9% to 11.2% over the year. We have increasingly found opportunities away from the largest companies, where valuations have generally been less attractive. These include speciality chemical distributors such as Azelis and IMCD, alongside more idiosyncratic opportunities including Fluidra and CNH Industrial.

As these individual opportunities have met our investment criteria, cash and equivalents have fallen from 40.5% to 36.8%. This is the outcome of bottom-up security selection, rather than a top-down decision to increase equity exposure.

Higher rates have also improved the return available on liquidity. Alongside short-term Treasuries held within cash and equivalents, we initiated a position in US Treasury Inflation-Protected Securities (TIPS). At purchase, these offered real yields of around 3% plus inflation, with market-implied inflation of approximately 2.3%. We view this as a way to earn more on liquid capital without relying on corporate credit risk.

Corporate credit has offered less, with spreads remaining relatively tight. We apply the same discipline here as we do to equities: patience when prospective returns are insufficient and investment when individual securities offer enough return for the risk taken.

The broader mandate also allows us to express the same investment thesis differently. We exchanged part of our Alphabet equity exposure into a preferred shares paying an annual dividend of over 6%. Our analysis suggested it could retain much of the equity upside with better downside characteristics than the common shares. We therefore retain exposure to the same business, but with a different balance of participation and downside.

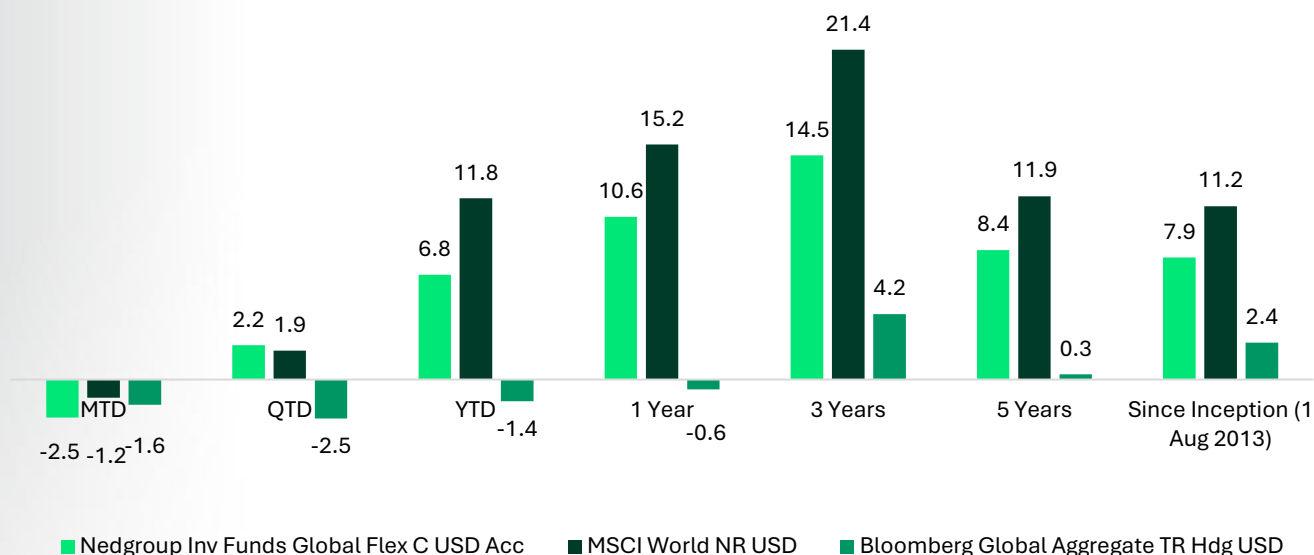
We have also continued to recycle capital where valuations have moved ahead of prospective returns. Broadcom and WABTEC were progressively reduced and ultimately exited after strong appreciation and significant valuation rerating. Broadcom was first bought in 2018 at a low-double-digit earnings multiple, before AI became a meaningful part of the investment case. WABTEC was bought during COVID when earnings expectations and valuation were depressed. By exit, both were trading at roughly twice their original forward earnings multiples.

Broadcom returned approximately 46% p.a. from initial purchase to the end of 2025 versus c.11% for ACWI, while WABTEC returned approximately 32% p.a. from April 2020 to the bulk of the exit in September 2025 versus 17% for ACWI. In both cases, the valuation had changed materially, and so had the prospective return. Past performance is not indicative of future returns.

As ever, our approach remains bottom-up, long-term and patient, seeking equity-like returns with lower volatility, through a broad opportunity set.

Fund performance

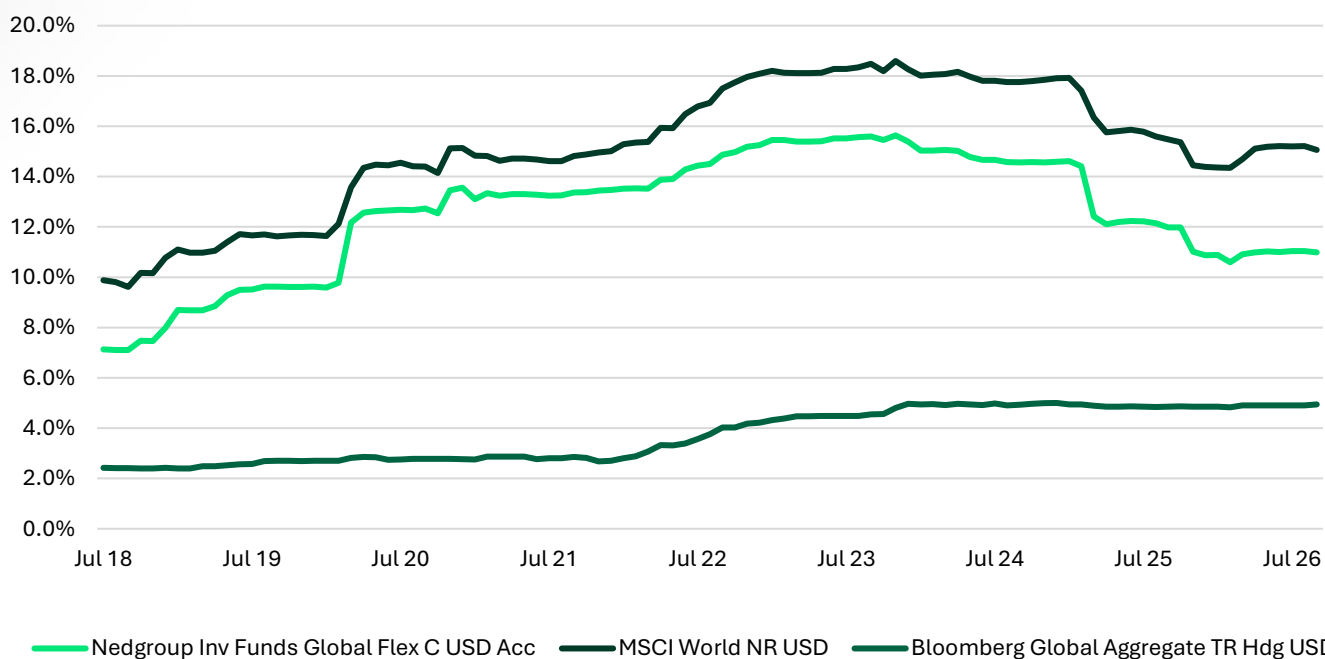
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/08/2013 Source: Morningstar, data to 30 September 2026.
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 30 September 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	
Meta Platforms	0.51%	Comcast Corporation	-0.25%
Analog Devices	0.29%	Arthur J. Gallagher & Co.	-0.20%
Alphabet	0.07%	Magnum Ice Cream Co.	-0.19%
Thermo Fisher Scientific	0.07%	Aon Plc	-0.16%
NXP Semiconductors	0.04%	Intuit Inc.	-0.16%

Year to date

Contributors		Detractors	
Analog Devices	1.27%	Naspers & Prosus	-0.52%
McDermott International	0.56%	Comcast Corporation	-0.29%
Azelis Group	0.55%	Jefferies Financial Group	-0.28%
Alphabet	0.55%	Aon Plc	-0.27%
Glencore Plc	0.49%	Amrize Ltd	-0.24%

Sector contribution	Month to date	Year to date
<i>Equities</i>	-2.50	6.16%
Communication Services	0.10%	0.13%
Consumer Discretionary	-0.37%	0.23%
Consumer Staples	-0.46%	0.37%
Energy	-0.08%	0.25%
Financials	-0.69%	-0.17%
Health Care	-0.03%	1.49%
Industrials	-0.57%	1.52%
Information Technology	0.11%	1.53%
Materials	-0.39%	0.83%
Real Estate	-0.13%	-0.03%
<i>Fixed Income</i>	0.09%	0.95%

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



**NEDGROUP
INVESTMENTS**

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	0.36%
Corporate Bonds	0.13%
Convertible Bonds	0.23%
Equities	62.88%
Communication Services	9.54%
Consumer Discretionary	5.85%
Consumer Staples	5.11%
Energy	0.57%
Financials	6.68%
Health Care	8.88%
Industrials	11.18%
Information Technology	8.11%
Materials	6.05%
Real Estate	0.91%
Utilities	0.00%
Cash & equivalents*	36.76%
Total	100.00%

* Includes money market securities.

Regional breakdown	Equity weight	Fixed income weight
North America	35.92%	0.27%
Europe ex UK	21.30%	0.09%
Japan	2.61%	0.0%
Emerging Markets	2.62%	0.0%
United Kingdom	0.45%	0.0%
Total	62.88%	0.36%

Top 5 equity holdings		Portfolio weight
Alphabet Inc	Communication Services	4.81%
Analog Devices Inc	Information Technology	3.29%
Meta Platforms Inc	Communication Services	2.50%
Azelis Group	Industrials	2.21%
International Flavours & Fragrances	Materials	2.12%

Stock spotlight: Becton Dickinson and Co.

Becton Dickinson is a diversified medical technology company supplying products such as infusion pumps, catheters and needles used across healthcare settings. During the year, the company separated its Biosciences & Diagnostic Solutions business and combined it with Waters Corporation. The transaction sharpened Becton Dickinson's focus on medical technology and generated \$4 billion in cash for the company.

- **Current Dynamics:** Becton Dickinson has faced pressure across three specific areas. Revenue in China declined as the country's healthcare system increasingly prioritised domestically sourced products, while vaccine-related revenue also weakened. In addition, issues affecting its infusion-pump business required corrective action and disrupted pump-related sales. Together, these factors affected approximately 10% of the company's revenue during the financial year ended September 2026. Pump-related revenue is expected to remain subdued through 2027, with sales anticipated to begin recovering from 2028.
- **Strategic Positioning:** Outside these affected areas, approximately 90% of the business continues to grow at an estimated 5% to 7% per year. This provides a solid underlying foundation while the company works through the pressures affecting China, vaccine-related demand and its infusion-pump business.
- **Investment Thesis:** The investment case for Becton Dickinson remains centred on the continued growth of the broader business and the expected improvement in pump-related sales. The current challenges are concentrated in a relatively small part of the business, while the majority of its operations continue to grow. Going forward, the focus will be on the recovery in pump sales and the company's progress towards returning to mid-single-digit growth.

This position was 1.76% 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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This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs/PRIIPS KIDs**) and the financial statements of Nedgroup Investments Funds plc (the **Fund**) before making any final investment decisions.

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The price of shares may go down or up depending on fluctuations in financial markets outside of the control of the Investment Manager meaning an investor may not get back the amount invested.

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

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

Prices are published on the Investment Manager's website.

Distribution: The prospectus, the supplements, the KIIDs/PRIIPS KIDs, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge in English for the prospectus and in English together with the relevant local languages for the KIIDs/KIDs from the country representative, the Investment Manager, or at www.nedgroupinvestments.com. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of Directive 2009/65/EC and Art 32a of Directive 2011/61/EU.

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Germany: The Fund's Facilities agent in Germany is Acolin Europe AG, with the registered office at Line-Eid-Strasse 6, 78467 Konstanz. The Prospectus (in English) and the PRIIPS KID (in German), may be obtained free of charge at the registered office of the Facilities agent, or electronically by Email via facilityagent@acolin.com, or by using the contact form at <https://acolin.com/services/facilities-agency-services>.

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