

# **Quarterly Range Report**

MyFolio Enhanced ESG Index Range - Q3 2025

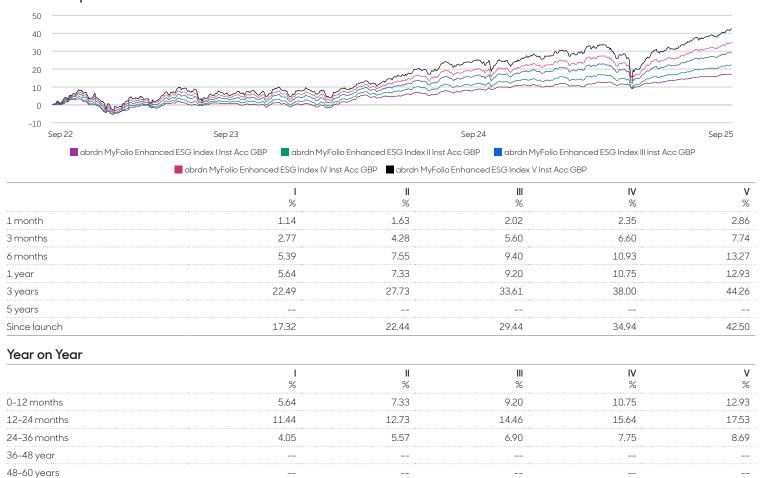
Institutional B Fixed Accumulation

### MyFolio Enhanced ESG Index

This MyFolio range gives access to investments that seek to do more good and less harm while retaining all the benefits of a multi-asset portfolio, at a level of risk investors are comfortable with. We do this by investing in a range of carefully chosen funds that meet our rigorous sustainability standards. Within the range, we offer five funds that aim to generate growth over the long term (five years or more) while managing them to a defined level of risk.

Please note that the number contained in a MyFolio fund name is not related to the synthetic risk and reward indicator contained in the Key Investor Information Document (KIID).

## Cumulative performance



Past performance is not a guide to future returns. The value of this investment and the income from it may go down as well as up and cannot be guaranteed. An investor may receive back less than their original investment.

For comparison purposes, investors can compare the fund's long term performance to a basket of assets (before charges) with a risk profile at the lower range of the Risk Target for the relevant fund, which the ACD considers appropriate given the investment policy and Risk Target of the relevant fund.

Source: Aberdeen, as at 30 September 2025. Calculation basis: Sterling, total return, net income reinvested, net of fees.

#### Market Review

Global equities posted positive returns in sterling terms in the third quarter of 2025 and rose by more than they did in US dollar terms as the US currency strengthened. Strong corporate earnings and the US Federal Reserve (Fed)'s first interest-rate cut of the year underpinned sentiment, while softer US labour data and easing inflation reinforced expectations of further monetary easing. A cautiously dovish message from Fed Chair Jerome Powell reinforced this view. Hopes for broader trade agreements, including a 90-day US-China tariff truce extension to 10 November, also supported confidence. However, renewed geopolitical tensions, weaker Chinese economic data and the partial US government shutdown late in the quarter dampened the outlook.

In fixed income markets, global government bond prices rose moderately in sterling terms over the quarter. As price pressures continued to ease in most major economies, investors looked ahead to further potential rate cuts. However, against a backdrop of President Trump's tariff announcements, central banks maintained a cautious, data-dependent stance. The yields on 10-year government bonds in the UK, Germany, Japan and China all rose over the quarter. The increase reflected fiscal concerns and higher bond supply in the UK and Germany, expectations of policy normalisation in Japan and increased local government borrowing in China. By contrast, yields in the US ended lower due to expectations of monetary easing and increased safe-haven demand amid heightened geopolitical tensions. During the quarter, the Fed reduced the target range for the federal funds rate by 25 basis points (bps) to 4.00%-4.25%, as it continued with its data-dependent stance, while signalling a further 50 bps of cuts in 2025. Meanwhile, the Bank of England reduced the Bank Rate by 25 bps to 4.00% in August, but the European Central Bank maintained its deposit facility rate at 2.00% over the quarter. The Bank of Japan kept its key short-term interest rate at 0.50% over the period. It also announced it would gradually sell its holdings of exchange-traded funds and real estate investment trusts as part of its policy normalisation, though its approach remains cautious by global standards.

Turning to the UK commercial real estate sector, the MSCI UK Monthly Index reported a return of 1.7% over the three months ending in August, with residential properties experiencing the highest returns at 2.1%. The office sector was the worst-performing sector in the index. However, it still produced a positive return of 0.9%.

## Range commentary

The fundamental focus of the Strategic Asset Allocation (SAA) for MyFolio is to continually enhance diversification across asset classes and maximise the potential return for each level of risk. We do this in a way that is consistent with our long-term expected returns.

Any enhancements made to the SAA must be compared with the alternative of making no change at all. Turnover must be considered carefully, and there must be a clear potential benefit from any changes we plan to make. Historically, we have made, on average, about one change every 12 months, but the frequency has increased more recently given the rapidly changing market dynamics. Despite this, there were no changes to the SAA over the third quarter of 2025.

However, given recent changes in the global economic backdrop, a few careful adjustments were made to Tactical Asset Allocation (TAA) to help keep the portfolio well positioned. The allocation moved slightly away from investments that benefit most in strong economic cycles and leaned more towards those that perform better when financial conditions are improving. The holding in global government bonds was maintained, as it continued to provide important balance for the portfolio. Within equities, profits were taken from Japanese investments, which had performed strongly and appeared somewhat overextended. The proceeds were reinvested into Asia Pacific markets outside Japan, where better opportunities were identified. The US equity position was also hedged to help manage risk. If bond yields continue to fall and the economy avoids recession, this environment should support risk assets.

In terms of the underlying funds, there were no significant trades over the last three months.

#### Market Outlook

Global equities ended September higher, supported by strong corporate earnings and the US Federal Reserve (Fed)'s widely anticipated 25 basis-point rate cut. Softer US labour market data and easing inflation have strengthened conviction that the Fed could continue to ease policy in the coming months, lifting risk appetite. However, geopolitical tensions surrounding the Russia-Ukraine war have persisted. Also, weaker economic data from China has continued to cloud the global growth outlook, and a partial shutdown of the US government at month end, the first in nearly seven years after lawmakers failed to reach a funding deal, has added to near-term uncertainty.

In Europe, Germany's recent announcement of sizeable planned fiscal stimulus should support growth both domestically and across the wider eurozone. The European Central Bank left interest rates unchanged at its September meeting, saying risks had become more balanced thanks to resilient growth and inflation easing towards its 2% target.

In the UK, the Bank of England (BoE) expects inflation to pick up temporarily in 2025 before returning to its 2% target. The BoE kept rates at 4.00% in September, but investors are expecting a further rate cut by the end of the year amid concerns about the domestic economy.

Investor sentiment in UK real estate remains subdued, with transaction volumes down around 20% year on year. The retail and industrial sectors continue to lead performance, while fiscal uncertainty and geopolitical tensions weigh on activity. International investors remain engaged, though capital flows are muted, reflecting the fragile underlying environment.

## Additional information

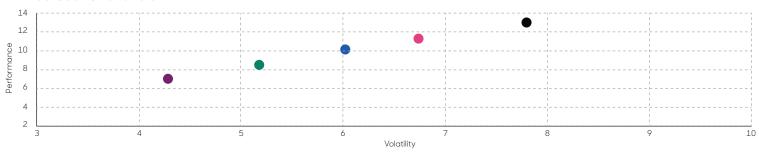
	1	II	III	IV	V
Annual Management Charge %	0.30	0.30	0.30	0.30	0.30
Ongoing Charge Figure* %	0.30	0.30	0.30	0.30	0.30
Fund historic yield <sup>1</sup> %	2.80	1.86	1.63	1.47	1.61
Citicode	GB00BMXNWN66	GB00BMXNWQ97	GB00BMXNWS12	GB00BMXNWF82	GB00BMXNWV41
Fund size in £m as at 30/09/2025	2.45m	28.82m	145.09m	66.72m	9.85m

Source: Aberdeen 2025

\*The Ongoing Charge Figure (OCF) shows the annualised operating expenses of the share/unit class as a percentage of the average net asset value of the class over the same period. It is made up of the Annual Management Charge (AMC) and other expenses taken from the class over the last annual reporting period, such as depositary fees, audit fees, investment management fees, and administration fees. It excludes portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling in another collective investment undertaking. The OCF can help you compare the costs and expenses of different Funds/classes.

<sup>1</sup>The Historic Yield as at 31/08/2025 reflects distributions declared over the past twelve months as a percentage of the mid-market share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

# Annualised risk and return



Key	Name	Performance %	Volatility %
•	abrdn MyFolio Enhanced ESG Index I Inst Acc GBP	7.00	4.29
•	abrdn MyFolio Enhanced ESG Index II Inst Acc GBP	8.50	5.18
•	abrdn MyFolio Enhanced ESG Index III Inst Acc GBP	10.14	6.02
•	abrdn MyFolio Enhanced ESG Index IV Inst Acc GBP	11.33	6.74
•	abrdn MyFolio Enhanced ESG Index V Inst Acc GBP	12.99	7.80

Income reinvested, net of fund charges.

The chart and table show the annualised volatility (risk) and annualised performance based on fund returns over the past three years to the date shown. Past performance is not a guide to future returns. The value of this investment and the income from it may go down as well as up and cannot be guaranteed. An investor may receive back less than their original investment.

## Strategic asset allocation

	Key Defensive assets	l %	II %	III %	IV %	V %
	■ Global Corporate Bonds	14.70	9.50	4.50	1.70	0.00
	■ Global Developed Government Bonds	20.30	12.50	6.30	2.00	0.60
	■ Global Index Linked Bonds	10.30	6.80	3.10	1.20	0.00
	Short Dated Global Corporate Bonds	7.50	4.40	1.50	0.60	0.00
	Short Dated Global Index Linked Bonds	7.10	3.50	1.00	0.00	0.00
ı	■ Short Dated Sterling Corporate Bonds	5.00	2.90	1.90	0.90	0.00
	Sterling Corporate Bonds	8.40	7.50	5.70	2.60	1.40
	■ Money Market including Cash	1.00	1.00	1.00	1.00	1.00
	Total Defensive Asset Class	74.30	48.10	25.00	10.00	3.00
	Growth assets					
II 📑	Asia Pacific Equities	2.10	4.90	6.70	8.90	12.40
	■ Emerging Market Equities	2.10	3.00	4.50	5.40	7.60
	■ Emerging Market Local Currency Bonds	2.60	4.00	7.20	6.30	0.00
	■ European Equities	2.30	5.10	7.10	9.20	10.80
	■ Global High Yield Bonds	2.60	4.00	5.80	7.20	1.00
V	■ Global Infrastructure	0.70	2.10	3.80	3.70	1.10
	■ Global REITs	0.70	2.10	3.80	3.70	1.10
	Japanese Equities	0.90	3.60	3.20	4.10	4.10
	■ UK Equities	5.50	10.40	14.50	18.60	26.60
,	■ US Equities	6.20	12.70	18.40	22.90	32.30
	■ Total Growth Asset Class	25.70	51.90	75.00	90.00	97.00

# Holdings

Defensive assets	Asset class	1	II	III	IV	V
		%	%	%	%	%
iShares ESG Screened Global Corporate Bond Index Fund D Dist GBP Hedged	Global Corporate Bonds	11.69	7.50	3.46	1.13	0.00
Robeco Global SDG Credits IH GBP	Global Corporate Bonds	2.94	1.86	0.86	0.46	0.00
iShares Green Bond Index Fund D GBP Hgd	Global Government Bonds	20.20	12.32	6.23	1.89	0.58
abrdn Global Inflation-Linked Bond Tracker Fund X Acc	Global Index Linked Bonds	10.22	6.78	3.01	1.15	0.00
Vontobel Fund - TwentyFour Sustainable Short Term Bond Inc	Short Dated Global Corporate Bonds	7.46	4.31	1.47	0.54	0.00
abrdn Short Dated Global Inflation-Linked Bond Tracker Fund X Acc	Short Dated Global Index Linked Bonds	7.05	3.48	0.99	0.00	0.00
abrdn Short Dated Sterling Corporate Bond Tracker Fund X Acc	Short Dated Sterling Corporate Bonds	4.83	2.78	1.82	0.83	0.00
iShares ESG Sterling Corp Bond D INC	Sterling Corporate Bonds	8.34	7.48	5.57	2.57	1.34
Cash and Other	Money Markets and Cash	0.85	1.88	2.19	2.31	1.37
Total Defensive assets		73.58	48.38	25.60	10.89	3.29
Growth assets		•	•	***************************************	•	
abrdn Evolve Asia Pacific ex-Japan Equity Index X Acc	Asia Pacific Equities	2.18	4.93	6.63	9.05	12.64
L&G ESG Emerging Markets Government Bond (Local Currency) Index Fund	Emerging Market Local Currency Bonds	2.52	3.98	7.09	6.09	0.00
abrdn Evolve European Equity Index Fund X Acc GBP	European Equities	2.25	5.00	7.05	9.07	10.59
abrdn Responsible Global High Yield Bond Fund Z Acc Hedged GBP	Global High Yield Bonds	2.52	3.87	5.72	7.11	0.94
L&G Future World Infrastructure C GBP Acc	Global Infrastructure	0.76	2.03	3.74	3.58	1.06
abrdn Global REIT Tracker Fund X Acc	Global REITs	0.64	2.06	3.67	3.57	1.07
iShares MSCI Japan ESG Enhanced UCITS ETF	Japanese Equities	0.86	3.55	3.15	4.20	4.04
abrdn Evolve UK Equity Index Fund X1 GBP Acc	UK Equities	5.65	10.21	14.45	18.14	26.21
abrdn Evolve American Equity Index Fund B2 Acc	US Equities	6.77	12.89	18.37	22.72	32.32
ISH MSCI EM ESG EHNCD USD-A	US Equities	2.26	3.10	4.54	5.58	7.84
Total Growth assets	•	26.42	51.62	74.40	89.11	96.71

Source: Aberdeen 2025

Numbers may have been adjusted to total 100%

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