# COIF CHARITIES SHORT DURATION BOND FUND
# INTERIM REPORT AND
# UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 June 2026

CCLA

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*Collectively, these comprise the Manager's Report.

References to "CCLA" refer to the CCLA Group, comprising CCLA Investment Management Limited and CCLA Fund Managers Limited.

**Disability Discrimination Act 1995**
Extracts from the Interim Report and Unaudited Financial Statements are available in large print and audio formats.

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

On behalf of the Board, I have pleasure in presenting the Interim Report and Unaudited Financial Statements of the COIF Charities Short Duration Bond Fund (the Fund), which includes a separate report from CCLA Investment Management Limited (the Investment Manager) as Investment Manager of the Fund. The Sub-Investment Manager of the Fund is Hermes Investment Management Limited. The Board would like to thank Mr Nigel Morecroft, former Chairman, and Mr Steve Wiltshire, Trustee, who stepped down on 19 February 2026, for their valued service, commitment, and contribution to the COIF Charity Funds Board.

**Structure and management of the Fund**
The Fund is a Common Investment Fund established in 1990 and regulated by the scheme dated 29 November 2000 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 17 November 2015, 20 November 2023 and 23 October 2025 (the Scheme). The Fund is managed by CCLA Fund Managers Limited (the Manager) as an unregulated collective investment scheme and as a UK alternative investment fund in accordance with the Financial Conduct Authority Regulations and the Alternative Investment Fund Managers Directive (AIFMD) Legislation.

CCLA Investment Management Limited (the "Investment Manager") has been appointed by the Manager to provide portfolio management, administrative and secretarial services to the Fund under the Investment Management Agreement.

The Trustee and Depositary, HSBC Bank plc, appointed under the Scheme is responsible for the supervision and oversight of the Manager's compliance with the Scheme and Scheme Particulars and also for the custody and safekeeping of the property of the Fund. It is also responsible for the appointment and supervision of the Registrar of the Fund. The division between management and depositary functions provides an additional layer of protection for Unitholders. The Board, Trustee and Manager are considered Charity Trustees of the Fund within the meaning of the Charities Act 2011.

The Board, established under the Scheme, comprises individuals with a broad range of experience across finance, investments and the charity sector. The Board appoints the Manager, which is responsible for the Fund's day-to-day management, including investment management and administration. As the Board does not undertake regulated activities, its members are not required to be approved by the Financial Conduct Authority.

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

**Board oversight and governance**
During the period under review, the Board maintained oversight of the Manager through regular reporting on investment performance, risk, operations and service delivery. The Board met regularly to review the progress of the Fund and engage with the Investment Manager and senior management.

The Board reviewed the investment policy, monitored performance, oversaw the risk management framework and took comfort from the Depositary's independent oversight.

The Board focused particularly on Investment performance, service delivery and operational resilience, including FNZ transfer agency issues, and strategic developments, including the CAIF transition and the Jupiter transaction.

In relation to the transfer agency issues, the Board sought assurance on root causes, remediation actions and strengthened controls, and continues to monitor service performance closely.

**Acquisition by Jupiter Fund Management**
On 2 February 2026, CCLA Investment Management Limited was acquired by the Jupiter Group (a UK based active investment manager). The Board considered the implications for the Fund, including the impact of the change of ownership on governance arrangements, investment philosophy and ongoing service provision. In its discussions, the Board noted the potential benefits associated with the transaction, including broader investment capability, enhanced operational infrastructure, access to greater financial resources, and the stated commitment of Jupiter's senior leadership to the charity client base. The Board will continue to monitor the implications of the acquisition for the Fund and its unitholders.

**Investment objective**
The Fund aims to generate a total return (income plus capital growth) of cash (represented by SONIA) plus 1.75% per annum (net of fees and expenses) when measured over a rolling three year period. There is no guarantee that the investment objective of the Fund will be achieved over any time period. Capital is at risk.

**Target Benchmark**
The target benchmark for the Fund is SONIA plus 1.75% per annum. The target benchmark sets a standard against which the performance of the Fund can be assessed.

**Investment policy**
The Fund will invest in a range of fixed and floating rate debt and/or debt related instruments issued by corporates and governments (government and public securities) including loans (which may be leveraged), inflation-linked securities, money market instruments and asset backed or other securitised products. Such

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

instruments may be issued by issuers located in developed and emerging markets (as defined by MSCI for the purposes of its developed and emerging markets indices). Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the Manager, the Sub-Investment Manager or their associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds. Investments made by the Fund may be either liquid or illiquid in nature.

The Fund will be managed to ensure that the Fund's Duration is less than 3.5 years, with the aim of reducing the effect of changes in interest rates on the Fund's value. The Fund's Duration measures the sensitivity of the value of the Fund to a change in interest rates; the lower the Duration the less impact a change in interest rates will have on the Fund's value.

The Fund is actively managed which means CCLA/the Sub-Investment Manager uses their discretion to pick investments to seek to achieve the investment objective.

The Fund will invest in instruments issued in a range of currencies and will hedge the non-sterling denominated portion of the portfolio back to the Fund's Base Currency in a range of 95%-105% of the Net Asset Value of the Scheme Property, to reduce the risk of exposure to non-sterling currency fluctuations.

The Fund may invest in instruments that are either investment grade or non-investment grade as rated by a recognised credit rating agency. Where an instrument does not have an explicit rating from a recognised credit rating agency ("Unrated Securities"), the Investment Manager or the Sub-Investment Manager is permitted to calculate a deemed rating.

The constraints set out below will apply to the Fund. During periods of rapid credit rating downgrades and/or market illiquidity however, these constraints may be temporarily exceeded. Where this occurs steps will be taken to bring the Fund into compliance with the constraints stated below within a reasonable period of time.

- The maximum exposure to non-investment grade securities is 20% of the Net Asset Value of the Scheme Property. Credit ratings used for measuring compliance with this rule are the highest long-term ratings of the recognised credit rating agencies used.
- The maximum exposure to non-investment grade securities with a rating assessed as being less than 'speculative' status is 5% of the Net Asset Value of the Scheme Property.
- The maximum exposure to Unrated Securities (including securities that CCLA and/or Sub-Investment Manager have given a deemed rating) is 5% of the Net Asset Value of the Scheme Property.
- The Fund will invest no more than 10% of its Net Asset Value in Collective Investment Schemes including In-House Funds.

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

The Fund uses derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management. Efficient portfolio management includes hedging (for example, reducing currency risk) and otherwise managing the Fund in a way that is designed to reduce risk or costs and/or to generate extra income or growth with a level of risk consistent with the risk profile of the Fund.

The Fund is managed in accordance with our ethical investment exclusions policy which is set out in further detail on our website at www.ccla.co.uk.

**The Sub-Investment Manager**
Hermes Investment Management Limited has been appointed by CCLA as the Sub-Investment Manager of the Fund. The Sub-Investment Manager is a limited liability company incorporated in England and Wales with company registration number 02466043 whose address and details are shown in the directory.

The Sub-Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 150000.
The Sub-Investment Manager provides portfolio management services to the Fund.

CCLA is responsible for any fees payable to the Sub-Investment Manager.

**Target investors**
The Fund is intended for eligible charity investors, with at least a basic knowledge of relevant financial instruments, which are seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. Investors should be looking to invest for at least three years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise. Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor. Investors may be either retail or professional clients (both per se and elective).

**Review of investment activities and policies of the Fund**
The Board reviewed the investment performance of the Fund throughout the year and considered the Fund's returns relative to its investment objective and target benchmark of SONIA plus 1.75% per annum (net of fees and expenses) measured over a rolling three-year period.
The Board noted that performance during the period was below expectations and discussed this in detail with the Investment Manager and senior management. In its review, the Board considered the factors affecting performance during the period and sought assurance from the Investment Manager regarding the continued appropriateness of the Fund's investment approach, and its alignment with the Fund's investment objective and policy. The Board also noted that, notwithstanding short-term

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

performance challenges, the Fund remains focused on achieving its objective of generating a total return of SONIA plus 1.75% per annum over rolling three-year periods. The Board will continue to monitor performance closely and to hold the Investment Manager to account against the Fund's investment objective, investment policy and target benchmark. Further detail on investment performance and market conditions is set out in the Report of the Investment Manager.

**Controls and risk management**
The Board receives and considers regular reports from CCLA. Ad hoc reports and information are supplied to the Board as required. CCLA has established an internal control framework to provide reasonable, but not absolute, assurance on the effectiveness of the internal controls operated on behalf of its clients. The effectiveness of the internal controls is assessed by the directors and senior management of CCLA on a continuing basis.

During the period, the Board, assisted by CCLA, reviewed the Fund's systems of internal controls and risk reporting.

During 2025, the Board was informed that the transfer agency arrangements with FNZ TA Services Limited (FNZ) did not meet the Manager's expected service standards and resulted in service disruptions for some clients. The Board sought assurance from the Manager regarding the root causes of these issues, the remedial actions taken, and the controls introduced to prevent recurrence. The Board received regular updates from the Manager on service performance, remediation progress and client communications, and continues to monitor service delivery closely. The Board notes that operational performance and reporting standards have improved and will remain under ongoing review as part of the Board's oversight of the Manager's performance.

**Important changes to the assessment of value**
On 2 February 2026, Jupiter Fund Management plc acquired CCLA Investment Management Limited and its subsidiary, CCLA Fund Managers Limited (together CCLA), and became part of the Jupiter Group.

As part of the integration, we are aligning the assessment of value process with that of the Jupiter Group.

**What is changing and why?**
Every year, we undertake an assessment that measures whether the fund continues to provide value to investors, taking into account factors such as performance, quality of service, costs charges, and other applicable criteria.

Currently, the Assessment of Value report for the fund covers the 12-month period to 31 December. To align with Jupiter, we are changing this date to 31 March.

## REPORT OF THE BOARD
**for the half year ended 30 June 2026 (unaudited)**

**When will this change take effect?**
The next Assessment of Value report will therefore be for the 15-month period ending 31 March 2027. The results will be published no later than 31 July 2027.

**Will this affect my investment?**
No. This change relates only to the way we assess and report on the value provided by the CCLA funds. It does not change the investment objectives, investment strategy, risk profile or charges of your investment.

**Possible Future Developments**
The COIF Board, in conjunction with the Manager, have been considering the advantages and disadvantages of moving from a Common Investment Fund (CIF), the current arrangement as explained on Page 3 of this Annual Report, to a Charities Authorised Investment Fund (CAIF), a new investment vehicle which has specifically been designed by the Financial Conduct Authority (FCA), the UK's industry regulator, for the charity sector, to which the assets and liabilities of this entity could be transferred. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

A formal decision has been made by the Board to transition the existing assets from a CIF to a CAIF. Following this decision, further details will be communicated to unitholders. The transition was originally expected to take place in 2026; however, this is now anticipated to occur in early 2027. The revised timetable reflects the need to accommodate the necessary integration activities associated with the combination of CCLA and Jupiter. On completion of the transition, the COIF Charities Short Duration Fund will cease operations and be wound up. Investors' existing holdings in the current CIF will be replaced with equivalent holdings in the new CAIF.

In light of this planned cessation, the Board has concluded that the financial statements of the COIF Charities Short Duration Fund should be prepared on a basis other than going concern. The use of a basis other than going concern reflects the anticipated transition of the Fund to a successor CAIF structure and subsequent wind-up of the existing vehicle. It does not reflect any concerns regarding the Fund's financial stability.

The Board would like to stress that any costs associated with a transition are expected to be rigorously contained and that the Board will work with the Manager to ensure this occurs in practice.

K Shenton
Chair
8 October 2026

## REPORT OF THE INVESTMENT MANAGER
**for the half year ended 30 June 2026 (unaudited)**

**Strategy**

The Fund aims to generate a total return (income plus capital growth) of cash, represented by the Sterling Overnight Index Average (SONIA) plus 1.75% per year, after fees and expenses, measured over a rolling three-year period.

The Fund will invest in a range of fixed interest and variable-rate debt securities (also known as bonds) and other debt-related instruments issued in a range of currencies by companies (known as corporate bonds) and governments, including loans, inflation-linked securities, money-market instruments, and asset-backed or other securitised products (financial instruments backed by assets that generate an income, for example, mortgages or student loans).

The Fund focuses on generating returns from credit risk, meaning that the manager aims to identify individual bonds that will deliver high returns, relative to the level of risk associated with a particular borrower at the corporate level. Conversely, the Fund has limited appetite for interest rate risk ('duration'), which describes how a bond's returns are likely to be affected by general changes in interest rates. For that reason, we manage the fund so that its duration is less than 3.5 years. The Fund minimises currency risk.

The Fund may invest in instruments that are either investment grade or non-investment grade (the latter up to a maximum of 20% of the fund) as rated by a recognised credit rating agency that the investment manager or sub-investment manager has determined meets appropriate regulatory standards.

**Annualised total capital and income return**

| To 30 June 2026 | 6 Months % | 1 year % | 5 years % p.a. | 10 years % p.a. |
|---|---|---|---|---|
| **Performance against benchmark (after expenses)** | | | | |
| **COIF Charities Short Duration Bond Fund** | | | | |
| **Income Units*** | **1.90** | **4.82** | **1.92** | **2.21** |
| **Accumulation Units*** | **1.90** | **4.82** | **1.92** | **2.22** |
| Target benchmark# | 2.75 | 5.76 | 2.11 | 2.60 |
| Consumer Price Index (CPI) | 1.71 | 2.59 | 5.07 | 3.54 |

# Target benchmark – From 27.07.22 SONIA + 1.75%. From 01.01.16 iBoxx £ Gilt 50% & iBoxx £ Non Gilt 50%.

* NAV to NAV plus income re-invested.

Past performance is not a reliable indicator of future results.

Source: CCLA, Bloomberg & HSBC.

## REPORT OF THE INVESTMENT MANAGER
**for the half year ended 30 June 2026 (unaudited)**

The Fund uses derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management (for example, hedging to reduce currency risk). The Fund follows a set of client-driven, values-based investment restrictions.

As of 30 June 2026, 77% of the Fund's portfolio was invested in corporate bonds, predominantly investment grade bonds but also, to a lesser degree, in high-yield bonds as well as derivatives, mortgage-backed or otherwise securitised bonds. 22% of the Fund's portfolio was invested in government bonds, primarily in US Treasuries but also in UK and other government bonds. The remainder of the Fund's portfolio was held in cash. The portfolio's modified duration, a measure of its exposure to interest rate risk, was 2.02.

As of 30 June 2026, the weighted average gross redemption yield (yield to maturity) of the securities in the Fund was 5.20%. The gross redemption yield indicates what the total return would be if the Fund's investments were held to maturity, i.e. the aggregate of gross interest received and capital gain or loss at redemption, annualised.

**Performance**
Over the six months under review, the Fund returned 1.90%, net of expenses, compared with its target benchmark's return of 2.75%. The Fund is actively managed, so it is common for performance to be either above or below that of the benchmark over any given reporting period.

Those six months presented bond investors with significant challenges. The war in the Middle East weighed on bond prices, especially for European and Latin American issuers. And despite mostly solid corporate fundamentals, some weak first-quarter updates, for example by Deutsche Bank, weighed on returns.

By contrast, the bonds of memory chip producers such as Western Digital contributed positively to returns, helped by demand for AI hardware. And after the US-Iran ceasefire started in April, a broader recovery took hold, led by the bonds of chemicals concern Huntsman, industrial firms including packaging group Mondi and banks such as Banco Santander.

**Market Review**
The year started positively, with modest economic growth and investors expecting that falling inflation would allow central banks to continue to cut interest rates. Bond spreads, the differences between the yields of corporate and government bonds, were low. But many investors considered that companies' solid fundamentals justified those narrow spreads.

Then, in late February, war broke out in the Middle East. As a result, oil prices rose from $61 per barrel at the end of 2025 to $126 at the end of April. Because higher oil prices can lead to higher inflation, investors started to expect that central banks might raise interest rates this year. Bond prices fell as interest rates rose, but bonds held up better than the stock market.

## REPORT OF THE INVESTMENT MANAGER
**for the half year ended 30 June 2026 (unaudited)**

It soon became clear, however, that the US and Iran wanted to de-escalate the conflict. So, from April, bond yields mostly fell, although they stayed above their levels at the start of the war. (Bond yields fall when bond prices rise, and vice versa.) And after the US and Iran signed their 'Islamabad Memorandum' in June, the oil price fell back to $73 by the end of the six months under review.

**Outlook**

Expectations for the near-term path of interest rates changed significantly during the six months under review. Now, in the second half of 2026, the range of possible outcomes for interest rates and bond yields looks broader than it has been for some time. As a result, we continue to aim to position the Fund so that its returns don't vary too much with changes in interest rates.

To achieve this goal, we remain focused on raising coupon income and selectively adding bonds to the fund, rather than following the broader market. This may include, for example, buying newly issued bonds, where attractive prices have historically allowed us to find higher yields without compromising credit quality.

The fundamentals of bond issuers of the highest quality, with so-called investment-grade credit ratings, appear stable. In our analysis, these firms' credit ratings are supported by their resilient revenues and cash flows that are comfortably high enough to cover interest payments. At current prices, however, we no longer find most of their bonds' valuations compelling.

We are even more cautious on lower-quality bonds, of so-called high-yield issuers. Prices for these bonds are high as well, even if these companies' earnings momentum has been less good than that of investment-grade companies.

We expect the volatility triggered by the Middle East conflict and other events to continue to play a heightened role in financial markets for some time. That may allow us to take advantage of market dislocations, rotating – for example – from one geography to another where valuations look more attractive on a relative basis.

B Funnell
Head of Investment
CCLA Investment Management Limited
8 October 2026

## REPORT OF THE INVESTMENT MANAGER
**for the half year ended 30 June 2026 (unaudited)**

### Top ten changes in portfolio composition

| | Cost £'000 | | Proceeds £'000 |
|---|---|---|---|
| **Purchases:** | | **Sales:** | |
| US Treasury 0% 2027 | 23,718 | US Treasury 0% 2026* | 33,796 |
| US Treasury 0% 2026 | 15,133 | US Treasury 0% 2026* | 15,327 |
| Citigroup Inc 4.296% VRN 2036 | 1,072 | Santander UK 5.75% 2026 | 1,850 |
| UniCredit SpA 4.231 % VRN 2036 | 873 | Marks Spencer 3.25% 2027 | 1,387 |
| AXA SA 4.375% VRN 2055 | 865 | Citigroup 5.15% 2026 | 1,300 |
| Citigroup Inc 4.542% VRN 2030 | 811 | Sealed Air Corporation 4% 2027 | 1,063 |
| Marks Spencer PLC 5.125% 2032 | 672 | UniCredit 2.731% VRN 2032 | 1,056 |
| Bbva Consumer Auto 2026-1 FT FRN 2042 | 605 | BNP Paribas 2% VRN 2031 | 1,000 |
| TDC Net AS 4.625% 2033 | 598 | Micron Technology 5.8% 2035 | 981 |
| Silgan Holdings Inc 4.25% 2031 | 589 | Silgan Holdings 2.25% 2028 | 872 |

*These two securities are different with respect to maturity dates and hence disclosed separately.

When a stock has both purchases and sales in the reporting period, these transactions have been netted and the net amount has been reflected as either a net purchase or net sale in the table above.

**Risk warning**
Past performance is not a reliable indicator of future results. The price of the Fund's Units and any income distributions from them may fall as well as rise and an investor may not get back the amount originally invested.

The Fund's Units are intended only for long-term investment and are not suitable for money liable to be spent in the near future. Shares are realisable on each dealing day only.

The gross redemption yield is an estimate of total return over the long-term. The Fund's gross dividend yield and gross redemption yield are not guaranteed and will change over time. When the Fund's distribution yield is higher than the gross redemption yield, some revenue is being paid at the expense of capital.

## REPORT OF THE INVESTMENT MANAGER
**for the half year ended 30 June 2026 (unaudited)**

**Sustainability Approach**
The fund is managed in accordance with CCLA's at https://www.ccla.co.uk/documents/sustainability-approach-short-duration-bond-funds/download?inline. This product does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The fund does not use a sustainable investment label because it does not have a sustainability goal.

The fund is managed in line with values-based investment restrictions that have been set by CCLA to reflect the values and mission of the fund's unitholders. The restrictions that apply to the fund are set out in the scheme particulars. These restrictions are applied in accordance with Our values-based screening policy (which also sets out how we consider the eligibility of third-party managed funds) and are implemented based upon data points selected by CCLA.

**Climate-related financial disclosures**
CCLA recognises that the investments within the Fund have an impact on the health of the climate. Equally, climate change could influence the performance of investments in the Fund because healthy markets need a healthy planet and healthy communities. Additionally, CCLA has committed to reporting, at least annually, against its approach to sustainability.

This is accomplished via the publication of a product-level sustainability report for each fund it manages. The content of this report aligns with the requirements of the environmental, social and governance (ESG) sourcebook published by the Financial Conduct Authority (FCA) and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The funds Public product-level sustainability report can be found in the individual fund's document section of website at https://www.ccla.co.uk/funds/coif-charities-short-duration-bond-fund#fund-documents. Our values based screening policy can be found at https://www.ccla.co.uk/about-us/policies-and-reports/policies/values-based-screening-policy.

## REPORT OF THE DEPOSITARY
**for the period ended 30 June 2026**

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Fund, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Fund, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Scheme Particulars of the Fund and as required by the AIFMD.

HSBC Bank plc
Trustee and Depositary Services
8 Canada Square
London
E14 5HQ

HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
8 October 2026

## SUMMARY RISK INDICATOR

The UK PRIIPs Regulation requirements set out detailed guidelines for the calculation of the risk ratings of products to be portrayed through a summary risk indicator. It is intended to be a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Manager is not able to pay you. The risk of the product may be significantly higher than the one represented in the summary risk indicator where the product is not held for the Recommended Holding Period.




The Manager has classified the COIF Charities Short Duration Bond Fund as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity of the manager to pay you. This classification is not guaranteed. It may change over time and may not be a reliable indication of the future risk profile of the fund. It's important to remember that even the lowest risk category does not mean risk free.

The summary risk indicator assumes investment in the Fund for the Recommended Holding Period of three years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

Investors can request redemption at any time and the Fund deals on a daily basis. The Fund does not include any protection from future market performance, so you could lose some or all of your investment.

A more detailed description of risk factors that apply to this product is set out in the latest Scheme Particulars, which is available on CCLA's website or by request.

## COMPARATIVE TABLE

**Change in net assets per Unit**

| | Income Units | | | |
|---|---|---|---|---|
| | **Half year to 30.06.2026 pence per Unit** | Year to 31.12.2025 pence per Unit | Year to 31.12.2024 pence per Unit | Year to 31.12.2023 pence per Unit |
| Opening net asset value per Unit | **128.78** | 125.72 | 121.92 | 115.89 |
| Return before operating charges* | **2.72** | 7.91 | 7.69 | 9.13 |
| Operating charges** | **(0.19)** | (0.38) | (0.37) | (0.35) |
| Return after operating charges* | **2.53** | 7.53 | 7.32 | 8.78 |
| Distributions on Income Units | **(1.77)** | (4.47) | (3.52) | (2.75) |
| Closing net asset value per Unit | **129.54** | 128.78 | 125.72 | 121.92 |
| * after direct transaction costs of: | **0.01** | 0.03 | 0.02 | – |
| **Performance** | | | | |
| Return after charges | **1.96%** | 5.99% | 6.00% | 7.58% |
| **Other information** | | | | |
| Closing net asset value (£'000) | **166,159** | 191,774 | 190,281 | 178,762 |
| Closing number of Units | **128,270,006** | 148,917,569 | 151,358,525 | 146,622,170 |
| Operating charges** | **0.29%** | 0.29% | 0.30% | 0.29% |
| Direct transaction costs | **0.01%** | 0.02% | 0.02% | 0.00% |
| **Prices (pence per Unit)** | | | | |
| Highest Unit price | **130.45** | 129.80 | 127.09 | 122.97 |
| Lowest Unit price | **127.86** | 125.33 | 121.85 | 116.02 |

The return after charges has been calculated in accordance with the Statement of Recommended Practice for UK Authorised Funds' (SORP) prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed in the Report of the Investment Manager. Net asset values per share prior to June 2026 are stated at bid under the previous SORP; net asset values from June 2026 are stated at mid following adoption of the revised SORP issued in October 2025.

** Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year.

## COMPARATIVE TABLE

**Change in net assets per Unit**

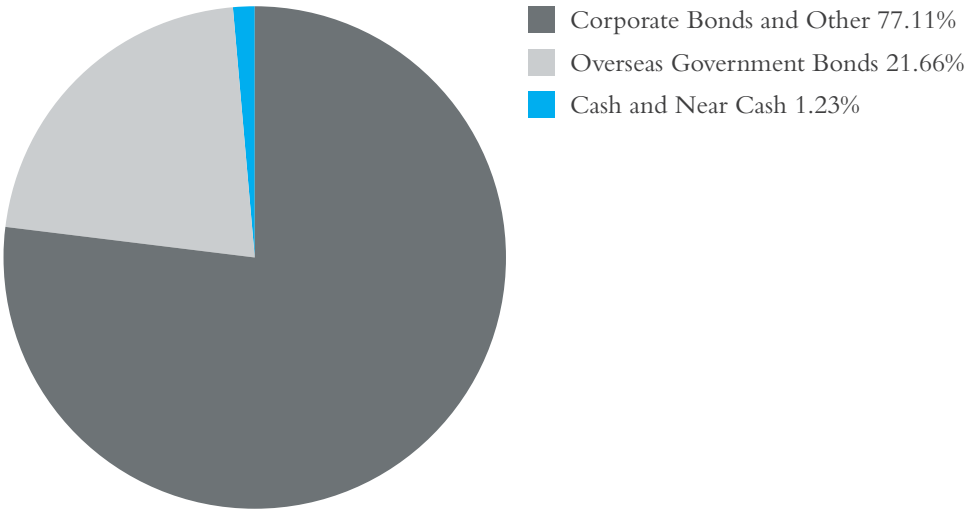
| | Accumulation Units | | | |
|---|---|---|---|---|
| | **Half year to 30.06.2026 pence per Unit** | **Year to 31.12.2025 pence per Unit** | Year to 31.12.2024 pence per Unit | Year to 31.12.2023 pence per Unit |
| Opening net asset value per Unit | **1,014.86** | 956.75 | 902.09 | 837.92 |
| Return before operating charges* | **21.56** | 61.05 | 57.46 | 66.71 |
| Operating charges** | **(1.48)** | (2.94) | (2.80) | (2.54) |
| Return after operating charges* | **20.08** | 58.11 | 54.66 | 64.17 |
| Distributions on Accumulation Units | **(13.83)** | (33.86) | (25.98) | (19.07) |
| Retained distributions on Accumulation Units | **13.83** | 33.86 | 25.98 | 19.07 |
| Closing net asset value per Unit | **1,034.94** | 1,014.86 | 956.75 | 902.09 |
| * after direct transaction costs of: | **0.09** | 0.23 | 0.15 | 0.03 |
| **Performance** | | | | |
| Return after charges | **1.98%** | 6.07% | 6.06% | 7.66% |
| **Other information** | | | | |
| Closing net asset value (£'000) | **19,420** | 19,503 | 18,953 | 17,915 |
| Closing number of Units | **1,876,395** | 1,921,729 | 1,980,938 | 1,985,875 |
| Operating charges** | **0.29%** | 0.29% | 0.30% | 0.29% |
| Direct transaction costs | **0.01%** | 0.02% | 0.02% | 0.00% |
| **Prices (pence per Unit)** | | | | |
| Highest Unit price | **1,035.41** | 1,016.13 | 959.39 | 905.03 |
| Lowest Unit price | **1,013.51** | 957.59 | 901.62 | 838.87 |

The return after charges has been calculated in accordance with the Statement of Recommended Practice for UK Authorised Funds' (SORP) prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed in the Report of the Investment Manager. Net asset values per share prior to June 2026 are stated at bid under the previous SORP; net asset values from June 2026 are stated at mid following adoption of the revised SORP issued in October 2025.

** Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year.

## PORTFOLIO ANALYSIS
**at 30 June 2026 (unaudited)**

### Portfolio Allocation




### By term to maturity

| Period | % Fund |
|---|---|
| 0-5 years | 71.44 |
| 5-10 years | 22.82 |
| 10-15 years | 1.18 |
| Over 15 years | 4.56 |
| Duration (modified) | 2.02 |
| Average term to maturity | 6.93 |

The portfolio analysis above differ from the following portfolio statement because prices used here are as at the 12pm valuation point rather than close of business.

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| **Government Bonds – 21.46% (31.12.2025 – 23.29%)** | | | |
| US Treasury 0% 2026 | $20,924,000 | 15,708 | 8.46 |
| US Treasury 0% 2027 | $32,900,000 | 24,117 | 13.00 |
| | | | |
| **Non-Government Bonds – 76.02% (31.12.2025 – 73.05%)** | | | |
| AbbVie 4.55% 2035 | $1,400,000 | 1,024 | 0.55 |
| ABN AMRO Bank 4.75% VRN Perpetual | €500,000 | 435 | 0.23 |
| AerCap Ireland Capital DAC 5.375% 2031 | $800,000 | 613 | 0.33 |
| AIB Group 6% VRN Perpetual | €500,000 | 447 | 0.24 |
| Air Lease 3.625% 2027 | $100,000 | 74 | 0.04 |
| Air Lease 3.7% 2030 | €800,000 | 690 | 0.37 |
| Alcoa Nederland Holding 4.125% 2029 | $400,000 | 294 | 0.16 |
| Alcon Finance Corp 2.6% 2030 | $600,000 | 418 | 0.23 |
| Allianz Finance II 0.5% 2031 | €500,000 | 387 | 0.21 |
| Ally Financial 4.7% VRN Perpetual | $220,000 | 161 | 0.09 |
| Alpek SAB de CV 3.25% 2031 | $300,000 | 198 | 0.11 |
| Alpha Bank 2.5% VRN 2028 | €400,000 | 343 | 0.18 |
| Alpha Bank SA 4.308% VRN 2036 | €100,000 | 87 | 0.05 |
| Alstom SA 0.5% 2030 | €400,000 | 308 | 0.17 |
| Alstom SA 5.25% VRN Perpectual | €200,000 | 175 | 0.09 |
| América Móvil 5% 2026 | £600,000 | 602 | 0.32 |
| American Express 5.625% VRN 2034 | $443,000 | 342 | 0.18 |
| American Medical Systems Europe 1.875% 2034 | €883,000 | 673 | 0.36 |
| American Tower Corp 4.05% 2032 | $420,000 | 303 | 0.16 |
| Amrize Finance US LLC 5.4% 2035 | $374,000 | 286 | 0.15 |
| Anglo American Capital 2.625% 2030 | $247,000 | 171 | 0.09 |
| Anglo American Capital 2.875% 2031 | $653,000 | 451 | 0.24 |
| Apple 2.65% 2051 | $1,730,000 | 793 | 0.43 |
| Aptiv 3.1% 2051 | $825,000 | 385 | 0.21 |
| ArcelorMittal 3.5% 2031 | €100,000 | 86 | 0.05 |
| Ardagh Metal Packaging Finance 3% 2029 | €100,000 | 83 | 0.04 |
| Ardagh Metal Packaging Finance USA 5% 2031 | €100,000 | 87 | 0.05 |
| Ashland 3.375% 2031 | $470,000 | 330 | 0.18 |
| Ashtead Capital Inc 4.25% 2029 | $600,000 | 443 | 0.24 |
| ASML Holding NV 0.25% 2030 | €700,000 | 549 | 0.30 |
| Asmodee Group AB 4.25% 2031 | €200,000 | 174 | 0.09 |
| Assicurazioni Generali 1.713% 2032 | €550,000 | 427 | 0.23 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| AstraZeneca 2.125% 2050 | $500,000 | 211 | 0.11 |
| Atlas Funding FRN 2068 | £200,000 | 200 | 0.11 |
| Australia New Zealand Bank 5.101% VRN 2033 | €300,000 | 265 | 0.14 |
| Auto ABS Italian Stella Loans FRN 2039 | €578,000 | 268 | 0.14 |
| Auto ABS Italian Stella Loans FRN 2039 | €300,000 | 141 | 0.08 |
| AutoFlorence 3 FRN 2046 | €102,000 | 31 | 0.02 |
| AutoFlorence 3 FRN 2046 | €463,000 | 142 | 0.08 |
| Autonoria Spain 2025-1 FRN 2043 | €367,324 | 316 | 0.17 |
| Aviva 6.875% VRN Perpetual | £200,000 | 204 | 0.11 |
| AXA 3.625% 2033 | €500,000 | 439 | 0.24 |
| AXA 6.375% VRN Perpetual | €349,000 | 324 | 0.17 |
| AXA SA 4.375% VRN 2055 | €1,000,000 | 876 | 0.47 |
| Ball Corporation 2.875% 2030 | $525,000 | 361 | 0.19 |
| Ball Corporation 5.5% 2033 | $725,000 | 550 | 0.30 |
| Banco 4.875% VRN 2030 | €300,000 | 268 | 0.14 |
| Banco BPM 6% VRN 2028 | €800,000 | 700 | 0.38 |
| Banco BPM 6.25% VRN Perpetual | €200,000 | 179 | 0.10 |
| Banco BPM SpA 4 % VRN 2036 | €400,000 | 346 | 0.19 |
| Banco BTG Pactual SACayman Island 5.5% 2031 | $270,000 | 201 | 0.11 |
| Banco BTG Pactual SACayman Island 5.75% 2030 | $200,000 | 151 | 0.08 |
| Banco Mercantil del Norte 6.625% VRN Perpetual | $400,000 | 287 | 0.15 |
| Banco Santander 1.722% VRN 2027 | $400,000 | 300 | 0.16 |
| Banco Santander 5% VRN 2034 | €500,000 | 446 | 0.24 |
| Banco Santander SA 6% VRN Perpetual | €200,000 | 180 | 0.10 |
| Banco Santander SA 7% VRN Perpetual | €400,000 | 371 | 0.20 |
| Bank of Cyprus 4.25% VRN 2036 | €150,000 | 129 | 0.07 |
| Barclays 4.616% VRN 2037 | €500,000 | 443 | 0.24 |
| Barclays 8.5% VRN Perpetual | £494,000 | 525 | 0.28 |
| Bath & Body Works 6.875% 2035 | $500,000 | 386 | 0.21 |
| Bath & Body Works 7.6% 2037 | $73,000 | 55 | 0.03 |
| BAWAG Group 4.125% VRN 2035 | €800,000 | 690 | 0.37 |
| BAWAG Group 6.75% VRN 2034 | €700,000 | 646 | 0.35 |
| Bbva Consumer Auto 2026-1 FT FRN 2042 | €700,000 | 604 | 0.33 |
| Bharti Airtel 3.25% 2031 | $750,000 | 526 | 0.28 |
| BM European Value Retail 6.5% 2031 | £500,000 | 493 | 0.27 |
| BNP Paribas 4.625% VRN Perpetual | $200,000 | 139 | 0.07 |
| British Telecommunications 4.875% VRN 2081 | $200,000 | 146 | 0.08 |
| BT Finance PLC 3.875% 2034 | €675,000 | 585 | 0.32 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| Caisse Nationale de Reassurance 0.75% 2028 | €600,000 | 492 | 0.26 |
| Caisse Nationale de Reassurance 6.5% VRN Perpetual | €300,000 | 272 | 0.15 |
| CaixaBank 4.375% VRN 2036 | €300,000 | 265 | 0.14 |
| CaixaBank 5.875% VRN Perpetual | €600,000 | 529 | 0.28 |
| Canpack Group Inc/CANPACK SA 4.875% 2032 | €127,000 | 112 | 0.06 |
| CANPACK SA US LLC 3.875% 2029 | $250,000 | 179 | 0.10 |
| Carrier Global Corp 2.7% 2031 | $440,000 | 304 | 0.16 |
| Castell 2026-1 PLC FRN 2062 | £769,000 | 771 | 0.42 |
| CCO Holdings 4.25% 2031 | $575,000 | 390 | 0.21 |
| Cellnex Telecom 0.75% 2031 | €1,600,000 | 1,252 | 0.67 |
| Cemex 3.875% 2031 | $400,000 | 284 | 0.15 |
| Centene Corporation 2.5% 2031 | $150,000 | 99 | 0.05 |
| Centene Corporation 2.625% 2031 | $1,450,000 | 953 | 0.51 |
| CF Industries 4.95% 2043 | $525,000 | 357 | 0.19 |
| Cigna Corp 2.375% 2031 | $1,000,000 | 679 | 0.37 |
| Cisco Systems 2.5% 2026 | $1,050,000 | 788 | 0.42 |
| Citigroup 4.125% 2028 | $300,000 | 224 | 0.12 |
| Citigroup Inc 4.296% VRN 2036 | €1,250,000 | 1,090 | 0.59 |
| Citigroup Inc 4.542% VRN 2030 | $1,100,000 | 823 | 0.44 |
| Clarios Global 4.75% 2031 | €200,000 | 175 | 0.09 |
| ClevelandCliffs 4.625% 2029 | $265,000 | 193 | 0.10 |
| ClevelandCliffs 7.375% 2033 | $35,000 | 26 | 0.01 |
| CNH Industrial 3.85% 2027 | $1,400,000 | 1,044 | 0.56 |
| CNH Industrial Capital 5.1% 2029 | $178,000 | 135 | 0.07 |
| Comcast Corporation 1.5% 2031 | $1,100,000 | 715 | 0.39 |
| Commerzbank 1.375% VRN 2031 | €900,000 | 772 | 0.42 |
| Cooperatieve Rabobank UA 1.875% VRN Perpectual | £1,100,000 | 1,070 | 0.58 |
| Cooperatieve Rabobank UA 5.5% VRN Perpectual | €400,000 | 350 | 0.19 |
| Costco Wholesale Corp 1.75% 2032 | $300,000 | 196 | 0.11 |
| Crown Americas 4.25% 2026 | $258,000 | 194 | 0.10 |
| Crown Americas 5.875% 2033 | $235,000 | 178 | 0.10 |
| Crown Castle Inc 2.5% 2031 | $300,000 | 201 | 0.11 |
| Crown European Holdings 4.5% 2030 | €350,000 | 310 | 0.17 |
| Dell International 4.35% 2030 | $900,000 | 670 | 0.36 |
| Dell International 5.4% 2034 | $730,000 | 558 | 0.30 |
| Deutsche Bank AG 7.125% VRN Perpectual | €200,000 | 184 | 0.10 |
| Dow Chemical 1.875% 2040 | €475,000 | 298 | 0.16 |
| Dow Chemical 5.15% 2034 | $125,000 | 92 | 0.05 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| Dowson 2026-1 PLC FRN 2033 | £423,000 | 424 | 0.23 |
| DS Smith 2.875% 2029 | £871,000 | 821 | 0.44 |
| Dutch Property Finance 2022-1 FRN 2059 | €800,000 | 692 | 0.37 |
| E-CARAT DE Lease 2025-1 FRN 2034 | €1,300,000 | 1,120 | 0.60 |
| Elis SA 3.375% 2031 | €1,100,000 | 937 | 0.50 |
| Enel 1.875% VRN Perpetual | €200,000 | 158 | 0.08 |
| Enel Finance International 0.875% 2034 | €625,000 | 432 | 0.23 |
| Engie 3.875% 2036 | €200,000 | 174 | 0.09 |
| Engie 5.625% 2034 | $600,000 | 468 | 0.25 |
| Erste Group Bank 6.375% VRN Perpetual | €600,000 | 545 | 0.29 |
| Eurofins Scientific 0.875% 2031 | €800,000 | 611 | 0.33 |
| Evonik Industries 3.25% 2030 | €400,000 | 347 | 0.19 |
| ExportImport Bank of India 2.25% 2031 | $400,000 | 269 | 0.14 |
| Falabella 3.375% 2032 | $550,000 | 377 | 0.20 |
| FCT Noria 2021 FRN 2049 | €500,000 | 65 | 0.04 |
| Fibercop SpA 5.375% 2031 | €200,000 | 179 | 0.10 |
| FIBRA Prologis 5.625% 2038 | $400,000 | 291 | 0.16 |
| Fidelity National Information Ser 4.8% 2031 | $260,000 | 194 | 0.10 |
| First Citizens BancShares 5.8009% VRN Perpetual | $505,000 | 381 | 0.21 |
| Ford Motor Credit 5.78% 2030 | £658,000 | 660 | 0.36 |
| Fresenius Medical Care 1.875% 2026 | $300,000 | 223 | 0.12 |
| Fresenius Medical Care US Finance 2.375% 2031 | $625,000 | 418 | 0.23 |
| Fresenius SE and Co KGaA 0.375% 2026 | €700,000 | 600 | 0.32 |
| Froneri Lux FinCo SARL 4.75% 2032 | €234,000 | 197 | 0.11 |
| GAMMA Sociedade de Titularizacao FRN 2034 | €300,000 | 151 | 0.08 |
| GAMMA Sociedade de Titularizacao FRN 2036 | €400,000 | 345 | 0.19 |
| General Motors Financial 2.35% 2031 | $1,300,000 | 877 | 0.47 |
| Gilead Sciences 2.6% 2040 | $725,000 | 397 | 0.21 |
| GlaxoSmithKline Capital 1.625% 2035 | £850,000 | 636 | 0.34 |
| Global Payments Inc 5.4% 2033 | $250,000 | 185 | 0.10 |
| Golden Bar Securitisation FRN 2044 | €200,000 | 142 | 0.08 |
| Goldman Sachs 3.102% VRN 2033 | $500,000 | 341 | 0.18 |
| Goodyear Europe 2.75% 2028 | €200,000 | 168 | 0.09 |
| Graphic Packaging International 3.75% 2030 | $226,000 | 160 | 0.09 |
| Graphic Packaging International 2.625% 2029 | €574,000 | 481 | 0.26 |
| Greenko Power II 4.3% 2028 | $600,000 | 310 | 0.17 |
| Gruenenthal 4.625% 2031 | €100,000 | 87 | 0.05 |
| Haleon UK Capital PLC 4.625% 2033 | £200,000 | 195 | 0.11 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| HCA 2.375% 2031 | $1,425,000 | 953 | 0.51 |
| HCA 3.5% 2051 | $200,000 | 102 | 0.05 |
| Hermitage FRN 2033 | £717,000 | 251 | 0.14 |
| Hermitage FRN 2033 | £374,000 | 333 | 0.18 |
| Hermitage FRN 2046 | £236,000 | 236 | 0.13 |
| Hive 2026-1 BV FRN 2046 | €351,000 | 304 | 0.16 |
| Home Depot IncThe 4.65% 2035 | $275,000 | 202 | 0.11 |
| Hops Hill No 2 FRN 2054 | £443,000 | 446 | 0.24 |
| HP 2.65% 2031 | $700,000 | 471 | 0.25 |
| HP 3% 2027 | $1,450,000 | 1,077 | 0.58 |
| HSBC Holdings 6.364% VRN Perpectual | €300,000 | 269 | 0.14 |
| HSBC Holdings 6.5% VRN Perpetual | $600,000 | 459 | 0.25 |
| HSBC Holdings 6.547% VRN 2034 | $500,000 | 401 | 0.22 |
| Huntsman International 2.95% 2031 | $700,000 | 474 | 0.26 |
| Huntsman International 4.5% 2029 | $400,000 | 295 | 0.16 |
| Huntsman International 5.7% 2034 | $13,000 | 9 | – |
| Iberdrola Finanzas 4.871% VRN Perpetual | €300,000 | 268 | 0.14 |
| Iberdrola Finanzas 5.25% 2036 | £300,000 | 293 | 0.16 |
| IDS Financing PLC 4.5% 2033 | €247,000 | 212 | 0.11 |
| Iliad 1.875% 2028 | €600,000 | 507 | 0.27 |
| Iliad 4.25% 2029 | €100,000 | 88 | 0.05 |
| iliad SA 4.25% 2032 | €200,000 | 174 | 0.09 |
| Infineon Technologies 2.875% 2030 | €900,000 | 767 | 0.41 |
| Informa 3.25% 2030 | €1,043,000 | 893 | 0.48 |
| Informa PLC 3.75% 2032 | €450,000 | 388 | 0.21 |
| Infrastrutture Wireless Italian 1.625% 2028 | €870,000 | 719 | 0.39 |
| Infrastrutture Wireless Italiane 1.75% 2031 | €650,000 | 512 | 0.28 |
| ING Groep 0.875% VRN Perpetual | €500,000 | 423 | 0.23 |
| ING Groep 4.25% VRN Perpetual | $260,000 | 178 | 0.10 |
| InPost SA 4% 2031 | €294,000 | 251 | 0.14 |
| Intesa Sanpaolo SpA 4.271% VRN Perpectual | €400,000 | 350 | 0.19 |
| IQVIA 2.25% 2029 | €800,000 | 670 | 0.36 |
| IQVIA Inc 4.625% 2033 | €100,000 | 87 | 0.05 |
| Iron Mountain 4.5% 2031 | $528,000 | 381 | 0.21 |
| Iron Mountain 5.25% 2030 | $164,000 | 122 | 0.07 |
| J Sainsbury 5.125% 2030 | £1,549,000 | 1,573 | 0.85 |
| John Deere Capital Corp 3.9% 2032 | $275,000 | 200 | 0.11 |
| JPMorgan Chase 4.625% VRN Perpetual | $300,000 | 226 | 0.12 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| KB Home 4% 2031 | $250,000 | 176 | 0.09 |
| KB Home 4.8% 2029 | $171,000 | 127 | 0.07 |
| Klabin Austria 3.2% 2031 | $500,000 | 340 | 0.18 |
| Koninklijke 3.375% 2035 | €600,000 | 505 | 0.27 |
| Koninklijke 3.875% 2036 | €1,100,000 | 954 | 0.51 |
| La Banque Postale 3%VRN Perpetual | €600,000 | 495 | 0.27 |
| Lanebrook Mortgage Transaction FRN 2058 | £481,000 | 481 | 0.26 |
| Levi Strauss 3.5% 2031 | $800,000 | 559 | 0.30 |
| Liberty Mutual Group 4.3% 2061 | $600,000 | 288 | 0.16 |
| LKQ 5.75% 2028 | $496,000 | 379 | 0.20 |
| LKQ Corporation 6.25% 2033 | $350,000 | 273 | 0.15 |
| LKQ Dutch Bond 4.125% 2031 | €228,000 | 198 | 0.11 |
| LKQ European Holdings 4.125% 2028 | €100,000 | 86 | 0.05 |
| Lloyds Banking Group 8.5%VRN Perpetual | £600,000 | 628 | 0.34 |
| London Cards No 2 FRN 2034 | £400,000 | 404 | 0.22 |
| Macquarie Bank 3.052%VRN 2036 | $690,000 | 470 | 0.25 |
| Macys Retail Holdings LLC 6.125% 2032 | $525,000 | 398 | 0.21 |
| Macys Retail Holdings LLC 7.375% 2033 | $60,000 | 48 | 0.03 |
| Marks Spencer PLC 5.125% 2032 | £1,000,000 | 988 | 0.53 |
| Medline Borrower LPMedline 6.25% 2029 | $51,000 | 39 | 0.02 |
| Medline Borrower LPMedline CoIssuer 5% 2031 | $24,000 | 18 | 0.01 |
| Meritage Homes 3.875% 2029 | $780,000 | 570 | 0.31 |
| Metropolitan Life Global Funding 0.625% 2027 | £100,000 | 95 | 0.05 |
| Metropolitan Life Global Funding 2.95% 2030 | $650,000 | 461 | 0.25 |
| Micron Technology Inc 2.703% 2032 | $850,000 | 574 | 0.31 |
| Millicom International Cellular 4.5% 2031 | $320,000 | 225 | 0.12 |
| Millicom International Cellular 7.375% 2032 | $340,000 | 265 | 0.14 |
| Molina Healthcare 6.25% 2033 | $266,000 | 201 | 0.11 |
| Mondi Finance 3.75% 2032 | €590,000 | 508 | 0.27 |
| Mondi Finance 3.75% 2033 | €851,000 | 724 | 0.39 |
| Mondi Finance PLC 3.375% 2031 | €100,000 | 85 | 0.05 |
| Morgan Stanley 5.297%VRN 2037 | $921,000 | 691 | 0.37 |
| Morgan Stanley 5.831%VRN 2035 | $63,000 | 49 | 0.03 |
| Mortimer BTL 2023-1 FRN 2056 | £600,000 | 604 | 0.33 |
| Mortimer BTL 2023-1 FRN 2056 | £1,034,000 | 470 | 0.25 |
| Mozart Debt Merger 3.875% 2029 | $400,000 | 293 | 0.16 |
| Muenchener Rueckversicherun 5.875%VRN 2042 | $600,000 | 464 | 0.25 |
| National Australia Bank Ltd 5.625%VRN 2037 | $342,000 | 257 | 0.14 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| National Bank of Greece 5.875% VRN 2035 | €300,000 | 275 | 0.15 |
| National Grid 0.553% 2029 | €800,000 | 635 | 0.34 |
| NatWest Group 4.6% VRN Perpetual | $200,000 | 140 | 0.08 |
| NatWest Group 5.125% VRN Perpetual | £400,000 | 399 | 0.22 |
| Nemak SAB de CV 3.625% 2031 | $463,000 | 302 | 0.16 |
| Netflix 3.625% 2030 | €2,087,000 | 1,827 | 0.98 |
| New Red Finance 5.625% 2029 | $275,000 | 209 | 0.11 |
| Newday Funding FRN 2033 | £577,000 | 577 | 0.31 |
| Nexans 4.125% 2029 | €1,100,000 | 965 | 0.52 |
| Nexi SpA 0% 2028 | €300,000 | 243 | 0.13 |
| Next 3.625% 2028 | £950,000 | 931 | 0.50 |
| Next Group PLC 5% 2031 | £594,000 | 592 | 0.32 |
| NGG Finance 2.125% VRN 2082 | €251,000 | 213 | 0.11 |
| Nokia 3.625% 2032 | €205,000 | 177 | 0.10 |
| Nokia 4.375% 2031 | €800,000 | 719 | 0.39 |
| Nokia 6.625% 2039 | $220,000 | 176 | 0.09 |
| Norsk Hydro 3.625% 2032 | €775,000 | 671 | 0.36 |
| Norsk Hydro 3.75% 2033 | €380,000 | 331 | 0.18 |
| Novelis Corporation 3.875% 2031 | $400,000 | 275 | 0.15 |
| Nutrien 2.95% 2030 | $1,250,000 | 884 | 0.48 |
| NXP Funding 2.5% 2031 | $975,000 | 659 | 0.35 |
| OI European Group 4.75% 2030 | $400,000 | 286 | 0.15 |
| Olympus Water US Holding Corporation 5.375% 2029 | €400,000 | 338 | 0.18 |
| OneMain Finance Corporation 3.875% 2028 | $200,000 | 146 | 0.08 |
| OneMain Finance Corporation 4% 2030 | $100,000 | 70 | 0.04 |
| Open Text Corporation 6.9% 2027 | $600,000 | 462 | 0.25 |
| Orbia Advance Corporation 2.875% 2031 | $200,000 | 125 | 0.07 |
| Orbia Advance Corporation 6.8% 2030 | $383,000 | 287 | 0.15 |
| Orsted 1.5% VRN 3021 | €500,000 | 381 | 0.21 |
| Orsted 2.125% 2027 | £700,000 | 684 | 0.37 |
| Owensbrockway Glass Container 7.375% 2032 | $200,000 | 145 | 0.08 |
| Paprec Holding SA 4.5% 2032 | €439,000 | 379 | 0.20 |
| Pearson Funding PLC 6.375% 2036 | £192,000 | 196 | 0.11 |
| Pepper Iberia Consumer FRN 2033 | €500,000 | 436 | 0.23 |
| Phoenix Group Holdings 5.625% 2031 | £700,000 | 700 | 0.38 |
| Pony Compartment German Auto FRN 2032 | €400,000 | 243 | 0.13 |
| Pony SA Compartment German Auto FRN 2032 | €500,000 | 301 | 0.16 |
| Post Holdings 4.5% 2031 | $332,000 | 235 | 0.13 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| Prudential 2.95% VRN 2033 | $470,000 | 339 | 0.18 |
| PVH Corporation 3.125% 2027 | €433,000 | 373 | 0.20 |
| PVH Corporation 5.5% 2030 | $618,000 | 469 | 0.25 |
| QBE Insurance Group 2.5% VRN 2038 | £250,000 | 238 | 0.13 |
| Qnity Electronics Inc 5.75% 2032 | $250,000 | 190 | 0.10 |
| Quikrete Holdings Inc 6.375% 2032 | $134,000 | 103 | 0.06 |
| Red & Black Auto Germany FRN 2031 | €100,000 | 27 | 0.01 |
| Red & Black Auto Germany FRN 2032 | €700,000 | 290 | 0.16 |
| Red & Black Auto Germany FRN 2035 | €200,000 | 173 | 0.09 |
| Red & Black Auto Italy FRN 2034 | €350,000 | 133 | 0.07 |
| Red & Black Auto Italy FRN 2036 | €400,000 | 247 | 0.13 |
| Ren Finance 0.5% 2029 | €300,000 | 241 | 0.13 |
| Ren Finance 1.75% 2028 | €675,000 | 571 | 0.31 |
| RevoCar FRN 2039 | €400,000 | 345 | 0.19 |
| Rexel 2.125% 2028 | €200,000 | 168 | 0.09 |
| Roquette Freres SA 3.774% 2031 | €400,000 | 344 | 0.19 |
| Roquette Freres SA 6% VRN Perpectual | €100,000 | 87 | 0.05 |
| Rothesay Life 3.375% 2026 | £1,950,000 | 1,950 | 1.05 |
| Rothesay Life 7.019% 2034 | £550,000 | 582 | 0.31 |
| Sally Holdings 6.75% 2032 | $488,000 | 376 | 0.20 |
| Sappi Papier Holding 7.5% 2032 | $75,000 | 55 | 0.03 |
| SC Germany Compartment Leasing FRN 2032 | €700,000 | 180 | 0.10 |
| SC Germany SA Compartment Leasing FRN 2032 | €700,000 | 179 | 0.10 |
| Schaeffler 4.5% 2030 | €400,000 | 350 | 0.19 |
| Seagate Data Storage Technology 4.091% 2029 | $629,000 | 462 | 0.25 |
| Seagate Data Storage Technology 4.125% 2031 | $274,000 | 197 | 0.11 |
| Siemens Financieringsmaatschappij 1.7% 2028 | $2,500,000 | 1,803 | 0.97 |
| SIG Combibloc PurchaseCo 3.75% 2030 | €1,538,000 | 1,332 | 0.72 |
| SIG Combibloc PurchaseCo Sarl 4% 2031 | €594,000 | 517 | 0.28 |
| Silgan Holdings Inc 4.25% 2031 | €700,000 | 600 | 0.32 |
| Sixt 3.25% 2030 | €1,262,000 | 1,084 | 0.58 |
| SK Hynix 2.375% 2031 | $500,000 | 341 | 0.18 |
| Smurfit Kappa Treasury 1% 2033 | €1,350,000 | 973 | 0.52 |
| Societe Generale 3.375% VRN 2030 | €700,000 | 603 | 0.32 |
| Societe Generale 5.375% VRN Perpetual | $426,000 | 308 | 0.17 |
| Societe Generale 8.125% VRN Perpetual | $450,000 | 357 | 0.19 |
| Sonoco Products 5% 2034 | $300,000 | 222 | 0.12 |
| SPCM 3.375% 2030 | $600,000 | 421 | 0.23 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| SSE 4% VRN Perpetual | €639,000 | 554 | 0.30 |
| Steel Dynamics 3.25% 2031 | $900,000 | 636 | 0.34 |
| Stellantis Finance US 2.691% 2031 | $1,000,000 | 642 | 0.35 |
| Stora Enso 7.25% 2036 | $300,000 | 244 | 0.13 |
| Suez 1.25% 2035 | €1,300,000 | 911 | 0.49 |
| Summit Digitel Infrastructure 2.875% 2031 | $1,400,000 | 949 | 0.51 |
| Suzano Austria 3.125% 2032 | $1,000,000 | 669 | 0.36 |
| Swiss RE Subordinated Finance 5.698% VRN 2035 | $200,000 | 152 | 0.08 |
| TAGUS-Sociedade de Titularizacao FRN 2042 | €100,000 | 50 | 0.03 |
| Taylor Morrison Communities 5.125% 2030 | $700,000 | 528 | 0.28 |
| TDC Net 5.186% 2029 | €188,000 | 169 | 0.09 |
| TDC Net AS 4.625% 2033 | €700,000 | 612 | 0.33 |
| Techem 4.625% 2032 | €392,000 | 340 | 0.18 |
| Telefonica Europe 2.376% VRN Perpetual | €400,000 | 331 | 0.18 |
| Telenet Finance Luxembourg 5.5% 2028 | $600,000 | 442 | 0.24 |
| Telia 0.125% 2030 | €910,000 | 688 | 0.37 |
| Tenet Healthcare Corporation 4.375% 2030 | $450,000 | 329 | 0.18 |
| Terna Rete Elettrica Nazionale SpA 1% 2028 | €400,000 | 330 | 0.18 |
| TerraForm Power Operating 4.75% 2030 | $600,000 | 438 | 0.24 |
| Thermo Fisher Scientific 2% 2031 | $145,000 | 96 | 0.05 |
| TMobile USA 2.25% 2031 | $2,000,000 | 1,324 | 0.71 |
| TopBuild Corp 5.625% 2034 | $79,000 | 60 | 0.03 |
| Turk Telekomunikasyon 7.375% 2029 | $300,000 | 231 | 0.12 |
| UBS Group 4.375% VRN Perpetual | $550,000 | 381 | 0.21 |
| UBS Group 7.125% VRN Perpetual | $200,000 | 152 | 0.08 |
| UniCredit SpA 4.231 % VRN 2036 | €1,000,000 | 871 | 0.47 |
| Unilever 1.5% 2026 | £1,000,000 | 999 | 0.54 |
| UnipolSai Assicurazioni 3.875% 2028 | €625,000 | 544 | 0.29 |
| UPC Broadband Finco 4.875% 2031 | $600,000 | 428 | 0.23 |
| US Foods Inc 4.625% 2030 | $300,000 | 221 | 0.12 |
| Valeo 1% 2028 | €500,000 | 409 | 0.22 |
| Valeo SE 4.875% 2033 | €100,000 | 86 | 0.05 |
| Verbund 0.9% 2041 | €100,000 | 58 | 0.03 |
| Verbund AG 3.375% 2033 | €200,000 | 172 | 0.09 |
| Verisure Holding AB 4.125% 2032 | €102,000 | 89 | 0.05 |
| VF 0.625% 2032 | €700,000 | 496 | 0.27 |
| Vmed O2 UK Financing 4.5% 2031 | £700,000 | 578 | 0.31 |
| VMware 1.4% 2026 | $1,300,000 | 976 | 0.53 |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| Vontier Corp 2.95% 2031 | $425,000 | 290 | 0.16 |
| VZ Secured Financing 5% 2032 | $495,000 | 327 | 0.18 |
| Wabtec Transportation Netherland 1.25% 2027 | €400,000 | 336 | 0.18 |
| WESCO Distribution Inc 5.5% 2034 | $30,000 | 22 | 0.01 |
| WESCO Distribution Inc 6.375% 2033 | $100,000 | 77 | 0.04 |
| Whirlpool Corporation 6.5% 2033 | $301,000 | 197 | 0.11 |
| WPAP Telecom 3.75% 2029 | €200,000 | 173 | 0.09 |
| XPLR Infrastructure 8.625% 2033 | $272,000 | 220 | 0.12 |
| ZF Europe Finance 4.75% 2029 | €100,000 | 87 | 0.05 |
| ZF Finance 2.25% 2028 | €200,000 | 167 | 0.09 |
| ZF North America Capital Inc 7.5% 2031 | $356,000 | 270 | 0.15 |
| Zurich Finance Ireland Designat 3%VRN 2051 | $1,000,000 | 679 | 0.37 |
| | | | |
| **Derivatives – (0.24%) (31.12.2025 – 0.95%)** | | | |
| **Credit Default Swaps^ – 0.35% (31.12.2025 – 0.44%)** | | | |
| Morgan Stanley 1% 20/06/2031 | 380,000.00 | (8) | (0.00) |
| Morgan Stanley 5% 20/06/2031 | 300,000.00 | 12 | 0.01 |
| Morgan Stanley 5% 20/06/2031 | 600,000.00 | 69 | 0.04 |
| JP Morgan 5% 20/06/2031 | 220,000.00 | 37 | 0.02 |
| JP Morgan 1% 20/06/2029 | 2,350,000.00 | 44 | 0.02 |
| JP Morgan 5% 20/06/2031 | 2,400,000.00 | 226 | 0.12 |
| JP Morgan 1% 20/06/2031 | 350,000.00 | (9) | (0.00) |
| JP Morgan 5% 20/06/2031 | 280,000.00 | 26 | 0.01 |
| JP Morgan 1% 20/06/2029 | 1,550,000.00 | 24 | 0.01 |
| JP Morgan 1% 20/06/2031 | 250,000.00 | 3 | (0.00) |
| JP Morgan 5% 20/06/2031 | 200,000.00 | 24 | 0.01 |
| JP Morgan 5% 20/06/2031 | 250,000.00 | 42 | 0.02 |
| JP Morgan 1% 20/06/2031 | 250,000.00 | (7) | (0.00) |
| JP Morgan 5% 20/06/2031 | 180,000.00 | 30 | 0.02 |
| JP Morgan 1% 20/06/2031 | 6,000,000.00 | 116 | 0.06 |
| JP Morgan 1% 20/12/2029 | 780,000.00 | 16 | 0.01 |
| JP Morgan 1% 20/12/2029 | 350,000.00 | 2 | – |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| **Futures – (0.13%) (31.12.2025 – 0.08%)** | | | |
| CBT US 2 Years Note (CBT) September 2026 | 15 | (4) | – |
| CBT US 5 Years Note (CBT) September 2026 | 18 | – | – |
| CBT US 10 Years Note (CBT) September 2026 | (116) | (28) | (0.02) |
| CBT US Ultra Bond CBT September 2026 | (34) | (60) | (0.03) |
| Eux Euro Bond Future September 2026 | (87) | (121) | (0.07) |
| ICF Long Gilt Future September 2026 | (27) | (25) | (0.01) |
| | | | |
| **Options – 0.02% (31.12.2025 – 0.00%)** | | | |
| CDX.NA.HY.46 DEF-06/20/2031-GSILUK_103.5 | (12,000,000) | (11) | (0.01) |
| CDX.NA.HY.46 DEF-06/20/2031-GSILUK_105 | 12,000,000 | 17 | 0.01 |
| CDX.NA.IG.46 DEF-06/20/2031-MSLNUK_0.75 | 40,000,000 | 13 | 0.01 |
| CDX.NA.IG.46 DEF-06/20/2031-MSLNUK_0.85 | 40,000,000 | 4 | – |
| iTraxx Europe Crossover 45 (5Y) Default 20/06/2031 MLILUK 3.75 | 23,500,000 | 1 | – |
| iTraxx Europe Crossover 45 (5Y) Default 20/06/2031 MLILUK 3.75 | 23,500,000 | 14 | 0.01 |
| iTraxx Europe Crossover 45 (5Y) Default 20/06/2031 MLILUK 4.25 | (23,500,000) | (1) | – |
| | | | |
| **Forward Foreign Exchange Contracts^ – (0.48%) (31.12.2025 – 0.43%)** | | | |
| GBP Forward Currency Contract 16/09/2026 | GBP 104,270,860 | | |
| USD Forward Currency Contract 16/09/2026 | (USD 140,000,000) | (1,209) | (0.65) |
| GBP Forward Currency Contract 16/09/2026 | GBP 63,371,884 | | |
| EUR Forward Currency Contract 16/09/2026 | (EUR 73,000,000) | 285 | 0.15 |
| USD Forward Currency Contract 16/09/2026 | USD 4,500,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 3,351,648) | 39 | 0.02 |
| EUR Forward Currency Contract 16/09/2026 | EUR 400,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 347,153) | (2) | – |
| GBP Forward Currency Contract 16/09/2026 | GBP 433,913 | | |
| EUR Forward Currency Contract 16/09/2026 | (EUR 500,000) | 2 | – |
| USD Forward Currency Contract 16/09/2026 | USD 1,250,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 932,154) | 10 | – |

## PORTFOLIO STATEMENT
**at 30 June 2026 (unaudited)**

| | Holding | Fair value £'000 | % of total net assets |
|---|---|---|---|
| USD Forward Currency Contract 16/09/2026 | USD 1,000,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 754,681) | (1) | – |
| EUR Forward Currency Contract 16/09/2026 | EUR 900,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 782,552) | (5) | – |
| USD Forward Currency Contract 16/09/2026 | USD 1,800,000 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 1,360,484) | (4) | – |
| GBP Forward Currency Contract 16/09/2026 | GBP 565,176 | | |
| EUR Forward Currency Contract 16/09/2026 | (EUR 650,000) | 3 | – |
| USD Forward Currency Contract 16/09/2026 | USD 855,057 | | |
| GBP Forward Currency Contract 16/09/2026 | (GBP 650,000) | (6) | – |
| EUR Forward Currency Contract 16/09/2026 | EUR 1,400,000 | | |
| USD Forward Currency Contract 16/09/2026 | (USD 1,600,971) | 4 | – |
| GBP Forward Currency Contract 16/09/2026 | GBP 1,057,375 | | |
| USD Forward Currency Contract 16/09/2026 | (USD 1,400,000) | 2 | – |
| GBP Forward Currency Contract 16/09/2026 | GBP 2,162,555 | | |
| EUR Forward Currency Contract 16/09/2026 | (EUR 2,500,000) | 2 | – |
| GBP Forward Currency Contract 16/09/2026 | GBP 1,124,529 | | |
| EUR Forward Currency Contract 16/09/2026 | (EUR 1,300,000) | 1 | – |
| **INVESTMENT ASSETS** | | **180,465** | **97.24** |
| **NET OTHER ASSETS** | | **5,114** | **2.76** |
| **TOTAL NET ASSETS** | | **185,579** | **100.00** |

All investments, except Credit Default Swaps and Forward Foreign Exchange Contracts, are listed on recognised stock exchanges or traded on or under the rules of an eligible securities market.

The counterparty for the Credit Default Swaps is Morgan Stanley and JP Morgan.

The counterparties for the Options Contracts are Morgan Stanley and Goldman Sachs.

The counterparty for the Futures Contracts is Morgan Stanley.

The counterparty for the Forward Foreign Exchange Contracts are Northern Trust, RBC London and State Street Bank.

## STATEMENT OF TOTAL RETURN
**for the half year ended 30 June 2026 (unaudited)**

| | **Period ended 30.06.2026** | | Period ended 30.06.2025 | |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Net capital (losses)/gains | | **(463)** | | 1,608 |
| Revenue | **4,582** | | 5,299 | |
| Expenses | **(290)** | | (307) | |
| Net revenue before taxation | **4,292** | | 4,992 | |
| Taxation | **(6)** | | (7) | |
| Net revenue after taxation | | **4,286** | | 4,985 |
| **Total return before distributions** | | **3,823** | | 6,593 |
| Distributions | | **(2,866)** | | (4,091) |
| **Change in net assets attributable to Unitholders from investment activities** | | **957** | | 2,502 |

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
**for the half year ended 30 June 2026 (unaudited)**

| | **Period ended 30.06.2026** | | Period ended 30.06.2025 | |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| **Opening net assets attributable to Unitholders** | | **211,277** | | 209,234 |
| Issue of Units | **3,317** | | 2,022 | |
| Cancellation of Units | **(30,240)** | | (3,979) | |
| | | **(26,923)** | | (1,957) |
| Change in net assets attributable to Unitholders from investment activities | | **957** | | 2,502 |
| Retained distributions on Accumulation Units | | **268** | | 354 |
| **Closing net assets attributable to Unitholders** | | **185,579** | | 210,133 |

The note on pages 33 to 36 form part of these financial statements.

The above statement shows the comparative closing net assets at 30 June 2025, whereas the opening net assets for the current accounting period commenced on 1 January 2026.

## BALANCE SHEET
**at 30 June 2026 (unaudited)**

| | Note | 30.06.2026 £'000 | 31.12.2025 £'000 |
|---|---|---|---|
| **ASSETS** | | | |
| Investments | *3* | **181,966** | 205,674 |
| Amounts receivable | | **1,823** | 2,306 |
| Cash and cash equivalents | | **7,977** | 6,503 |
| **Total assets** | | **191,766** | 214,483 |
| **LIABILITIES** | | | |
| Investment liabilities | *3* | **1,501** | 131 |
| Other payables | | **1,832** | 72 |
| Bank overdraft | | **1,712** | 1,693 |
| Distribution payable | | **1,142** | 1,310 |
| **Total liabilities** | | **6,187** | 3,206 |
| **Net assets attributable to Unitholders** | | **185,579** | 211,277 |

The financial statements on pages 31 to 36 have been approved by the Board.

Approved on behalf of the Board
8 October 2026

K Shenton, Chair

The note on pages 33 to 36 form part of these financial statements.

## NOTE TO THE FINANCIAL STATEMENTS
**for the half year ended 30 June 2026 (unaudited)**

### 1. Accounting policies

*Basis of preparation*

The financial statements have been prepared on a basis other than that of a going concern, as a result of the COIF Board's decision to wind up the Fund. This basis includes, where applicable, writing the Fund's assets down to net realisable value. No provision has been made for the future cost of terminating the Fund unless such costs were committed at the reporting date. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these financial statements and applicable accounting standards have been followed.

The financial statements have been prepared in compliance with United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Charities Act 2011, and Alternative Investment Fund Managers Directive (AIFMD). The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments.

The Fund is exempt from preparing a statement of cash flows under FRS 102 as substantially all of the Fund's investments are highly liquid, substantially all of the Fund's investments are carried at market value and the Fund provides a statement of change in net assets.

The COIF Board, in conjunction with the Manager, have been considering the advantages and disadvantages of moving from a Common Investment Fund (CIF), the current arrangement as explained on Page 3 of this Interim Report, to a Charities Authorised Investment Fund (CAIF), a new investment vehicle which has specifically been designed by the FCA for the charity sector, to which the assets and liabilities of this entity could be transferred. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

A formal decision has been made by the Board to transition existing assets from a CIF to a CAIF, following which it will be communicated to unitholders. The transition is expected to happen in 2027. On completion of the transfer, the COIF Charities Short Duration Fund would cease operations and be wound up, with the investors' existing holdings in the existing CIF being replaced with their equivalent in the new CAIF. The Board therefore concluded that the COIF Charities Short Duration Fund's financial statements are to be prepared on a basis other than that of a going concern.

## NOTES TO THE FINANCIAL STATEMENTS
**for the half year ended 30 June 2026 (unaudited)**

1. **Accounting policies** ***(continued)***

*Basis of preparation (continued)*

The Board would like to stress that any costs associated with a transition are expected to be rigorously contained and that the Board will work with the Manager to ensure this occur in practice.

*Basis of valuation*

Quoted investments are valued at mid-market values as at close of business on the last business day of the accounting period. Any unquoted, unlisted, delisted or suspended investments are stated at valuation by the Manager and reviewed by the Trustee.

Unless otherwise stated, all other accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025 and are described in those financial statements.

2. **Related party transactions**

The Manager's annual management charge is paid to the Manager, a related party to the Fund. The amounts of £262,648 (30.06.2025, £274,857) incurred in respect of these charges is included in expenses.

An amount of £43,320 was due to the Manager at 30 June 2026 (31.12.2025, £50,961). There were no other transactions entered into with the Manager during the period (30.06.2025, £nil).

There is no individual investor holding more than 20% of the Fund.

At 30 June 2026, COIF Charities Investment Fund held 27.49% (31.12.2025, 35.00%) and COIF Ethical Investment Fund held 18.14% (31.12.2025 20.81%) of the value of the Fund.

## NOTES TO THE FINANCIAL STATEMENTS
**for the half year ended 30 June 2026 (unaudited)**

### 3. Fair value of financial assets and financial liabilities

In respect of financial assets and liabilities other than investments (including investment liabilities), there is no material difference between their value, as shown on the balance sheet, and their fair value.

Investments are held at fair value. An analysis of the valuation technique used to derive fair value of the investments is shown below:

The fair value of investments has been determined using the following hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2 Inputs other than quoted prices included above that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3 Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the half year ended 30 June 2026

| Category | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|---|---|---|---|
| Investment assets | 49 | 181,917 | – | 181,966 |
| Investment liabilities | (250) | (1,251) | – | (1,501) |
| | (201) | 180,666 | – | 180,465 |

For the year ended 31 December 2025

| Category | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|---|---|---|---|
| Investment assets | 216 | 205,458 | – | 205,674 |
| Investment liabilities | (34) | (97) | – | (131) |
| | 182 | 205,361 | – | 205,543 |

## NOTES TO THE FINANCIAL STATEMENTS
**for the half year ended 30 June 2026 (unaudited)**

**3. Fair value of financial assets and financial liabilities** ***(continued)***

For financial instruments which have quoted prices for identical instruments in active markets, those prices are taken to be fair value.

For financial instruments for which the Manager uses valuation techniques using observable market data, the inputs include: prices of recent transactions for identical instruments in inactive markets; broker quotes; evaluated pricing data from data providers; or prices quoted for closely similar (but not identical) instruments.

For derivatives, fair value is the price that would be required to close out the contract at the balance sheet date.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITARY AND MANAGER RESPONSIBILITIES

**Responsibilities of the Board**

The Board shall comply with the duty of care when exercising its powers and discharging its duties under the Scheme, as follows:

- making and revising the written statement of the investment objectives of the Fund and ensuring that details of such investment objectives will be included in the Scheme Particulars;
- determining the criteria and methods for evaluating the performance of the Fund;
- granting prior written approval to the Manager should the Manager wish to enter into certain types of investment or a specific course of borrowing on behalf of the Fund;
- appointing the Auditor of the Fund and agreeing their terms of engagement;
- making an annual report on the discharge of the Board's responsibilities;
- determining the rate of remuneration of the Trustee and the Manager in accordance with the Scheme and the Scheme Particulars;
- applying to the Charity Commission for an order to discharge the Trustee from the provisions of the Scheme and an order to appoint a new Trustee of the provisions of the Scheme;
- making representations to the Trustee on the winding up of the Fund: provided that any Board member who has any interests in the Trustee or the Manager shall not participate in the Board's discussions and decisions on the matter and shall not be counted in the quorum necessary for the transaction of such business; and
- informing the Charity Commission promptly and in writing if the Board is not satisfied at any time as to the compliance of the Trustee or the Manager with the Scheme or the Scheme Particulars.

Under the Alternative Investment Fund Managers Directive ("AIFMD"), the Board has certain additional responsibilities including:

- the duty to inform the Financial Conduct Authority promptly and in writing if the Board is not satisfied with the compliance of the Trustee or the Manager with the applicable provisions of AIFMD; and
- the direct power (without reference to the Charity Commission) to require the removal of the Manager and/or the Trustee where it considers for good and sufficient reason that a change of Manager or Trustee is in the interests of the Participating Charities.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITARY AND MANAGER RESPONSIBILITIES

**Responsibilities of the Trustee**

The Trustee shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Trustee shall comply with the duty of care when exercising its powers and discharging its duties. The following are the duties and powers of the Trustee:

- the supervision and oversight of the Manager's compliance with the Scheme and the Scheme Particulars. In particular, the Trustee shall be satisfied that the Manager is competently exercising its powers and discharging its duties under the Scheme, and that the Manager is maintaining adequate and proper records;
- the appointment, supervision and oversight of any Registrar or other delegate which it has appointed in accordance with the Scheme;
- the custody and control of the property of the Fund and the collection of all income due to the Fund;
- the creation and cancellation of Units as instructed by the Manager (except where the Scheme Particulars permit the Trustee to disregard those instructions);
- making distributions or allocations to Participating Charities in proportion to their respective Units in the property of the Fund;
- the making of an annual report on the discharge of its responsibilities for the management of the Fund; and
- winding up the Fund.

The Trustee shall take all steps and execute all documents as are necessary to ensure that instructions given to it by the Manager are carried out as to the exercise of rights (including voting rights) attached to the ownership of property of the Fund and that the purchases and sales of investments for or of the Fund are properly completed.

The Trustee shall maintain such records as are necessary to enable it to comply with the Scheme and with section 130 of the Charities Act 2011 and to demonstrate that such compliance has been achieved.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITARY AND MANAGER RESPONSIBILITIES

**Responsibilities of the Depositary**
The Depositary must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "the Regulations") and the Fund's Scheme Particulars.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with the Regulations;
- the assets under management and the net asset value per Unit of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- that the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Fund is managed in accordance with the Scheme Particulars in relation to the investment and borrowing powers applicable to the Fund.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITARY AND MANAGER RESPONSIBILITIES

**Responsibilities of the Manager**

The Manager shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Manager shall comply with the duty of care when exercising its powers and discharging its duties under the Scheme. The following are the duties and powers of the Manager:

- instructing the Trustee with respect to the creation and cancellation of Units;
- managing the investments of the Fund in conformity with the investment objectives made by the Board;
- ensuring that regular valuations of the property of the Fund are carried out and to ensure that the Units are correctly priced;
- the creation and revision of the Scheme Particulars;
- maintenance of a daily record of Units purchased or sold on behalf of the Trustee;
- the creation of all records in respect of the Fund, available for inspection by the Trustee;
- the preparation of reports and accounts in respect of every accounting period; and
- the supervision and oversight of any appointed delegate.

The Manager of the Fund is required by the Scheme to:

- prepare and submit to the Charity Commission a statement of accounts and annual report complying with the requirements of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, as amended or replaced from time to time; and
- prepare and submit to the Charity Commission a half-yearly report and accounts for the Fund made up to the date of the interim balance sheet.

The Manager is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of FRS 102;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the Financial Statements as prepared comply with the above requirements;

## STATEMENT OF BOARD, TRUSTEE, DEPOSITARY AND MANAGER RESPONSIBILITIES

- make judgments and estimates that are reasonable and prudent; and

- prepare the Financial Statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Trustee has appointed the Manager to act as Registrar to the Fund.

Under AIFMD, the Manager has certain additional responsibilities including, ensuring compliance with the applicable provisions of AIFMD and that any delegation by the Manager is in accordance with AIFMD.

Should the Manager wish to retire, the Manager can only be discharged from its duties under the Scheme following the appointment of a replacement Manager who is eligible under AIFMD to act as Manager of the Fund.

**(Charity Registration No. 803610)**

## DIRECTORY

**Board**
N Morecroft (Chair) –
resigned as of 19 February 2026
K Corrigan, FCCA
J Hobart, MA
A Richmond, MA (Hons) ASIP
K Shenton – Chair as of 19 February 2026
S Wiltshire – resigned as of 19 February 2026

**Manager, Alternative Investment Fund Manager (AIFM), and Registrar**
CCLA Fund Managers Limited

**Investment Manager**
CCLA Investment Management Limited
*Both CCLA Fund Managers Limited and CCLA Investment Management Limited are authorised and regulated by the Financial Conduct Authority*
Registered Office Address:
The Zig Zag Building
70 Victoria Street
London
SW1E 6SQ
Telephone: 0207 489 6000
Client Service:
Freephone: 0800 022 3505
Email: clientservices@ccla.co.uk
www.ccla.co.uk

**Transfer Agent**
FNZ TA Services Limited
7th Floor, 2 Redman Place
London
E20 1JQ

**Administrator**
HSBC Bank plc
8 Canada Square
Canary Wharf
London
E14 5HQ
*HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority*

**Executive Directors of the Manager**
J Berens (Head of Client Relationships & Distribution) –
resigned as of 2 February 2026
S Fuschillo (Executive Director) –
appointed as of 2 February 2026
E Sheldon (Chief Operating Officer)
J Singh (Executive Director) –
appointed as of 2 February 2026
D Sloper (Chief Executive Officer) –
resigned as of 2 February 2026

**Non-Executive Directors of the Manager**
J Bailie (Chair)
R Fuller
N Mcleod-Clarke

*Fund Manager*
CCLA Investment Management Limited

*Company Secretary*
M Mochalska resigned on 2 February 2026
Jupiter Asset Management Limited appointed
on 2 February 2026

*Chief Risk Officer*
J-P Lim

*Head of Sustainability*
J Corah

**Third Party Advisors**
*Custodian, Trustee and Depositary*
HSBC Bank plc
8 Canada Square
Canary Wharf
London
E14 5HQ

*Banker*
HSBC Bank plc
8 Canada Square
Canary Wharf
London
E14 5HQ

*Independent Auditor*
Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

## ABOUT CCLA

CCLA was founded in 1958 with the launch of the Church of England Investment Fund, enabling churches to pool their assets and have them professionally managed. We started managing investments for local authorities in 1961, followed by charities in 1963.

In 1987, with the introduction of new financial regulation, those churches, charities and local authorities founded CCLA Investment Management Limited.

Today, CCLA is one of the UK's largest managers of charity, faith and public sector investments, providing pooled and bespoke portfolios, and championing responsible investment.

We know that charities and not-for-profit organisations measure success not in profits, but in lives improved and futures secured. At CCLA, we are honoured to stand alongside them – helping to manage their investments and invest with purpose – so that their impact endures across generations.

CCLA

**CCLA Fund Managers Limited**
The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ
T: 0800 022 3505 E: clientservices@ccla.co.uk
**www.ccla.co.uk**

CCLA is the trading name for CCLA Investment Management Limited (Registered in England and Wales No. 2183088) and CCLA Fund Managers Limited (Registered in England and Wales No. 8735639).

Both companies are part of the Jupiter Group, and are authorised and regulated by the Financial Conduct Authority. Registered address: The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ

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