MKC Invest Income Focus

MKC Invest Income Focus 5
May 2026

Portfolio Objective:	Inception Date: 01.07.2024

The MKC Invest Income Focus portfolio 5 aims to provide a natural distribution yield from a diversified portfolio of collective investments managed such that the risk level of the portfolio will be suitable for an investor at level 5 on the MKC "Baseline" scale of investment risk. The yield target will be at least 200% of the relevant benchmark yield over a rolling 12-month period. The portfolio aims to outperform the yield of this strategic asset allocation over the course of a market cycle through active asset allocation and the selection of predominantly higher-yield actively managed funds from a range of providers. While long-term capital growth is a reasonable expectation from the portfolio given its underlying asset exposures, this portfolio will be measured solely by its distribution yield.

MKC Wealth Risk Rating	Equity Target
Balanced	50%

Baseline Benchmark 5:
50% Morningstar Global All Cap Target Market Exposure
50% Morningstar Global Core Bond (GBP) Hedged

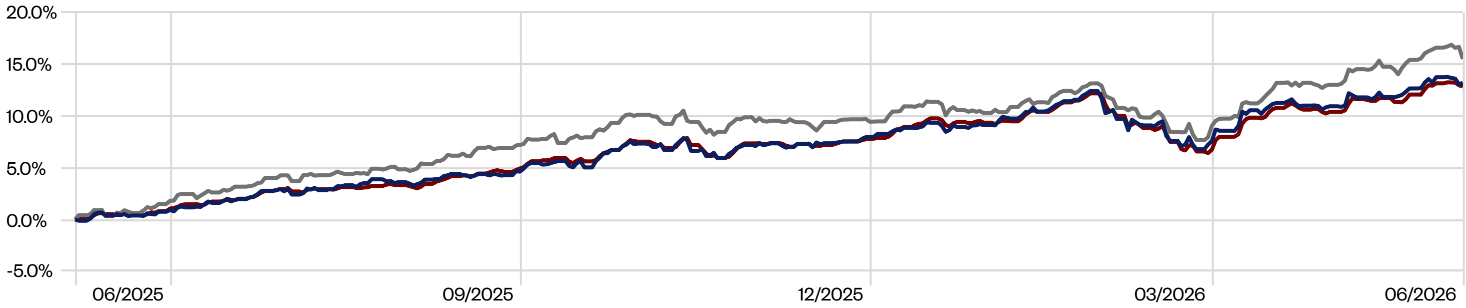
Market Overview:

In May, despite the challenging macroeconomic backdrop, equities defied the odds and continued their momentum, particularly in the US, with the S&P 500 reaching record highs. This rally was driven by strong AI-related Q1 earnings (record profit margins) and growing optimism of an agreement between the US and Iran. Outside of the US, Asian indices posted some of the largest daily gains in the final stretch of the month, specifically in Korea and Taiwan.

Despite the enthusiasm in equity markets, bond markets remained reserved and sent more cautious signals. The conflict-driven energy shock pushed the US Federal Reserve and European Central Bank towards signalling that interest rates may need to rise again (a reversal of the earlier expectation that rates would fall), and inflation fears triggered a sharp, global bond sell-off in mid-May, with 10-year yields in the US, Germany, Japan and the UK all spiking to multi-year highs. The move then partially reversed into month-end as easing oil prices and more encouraging signals over a resolution in Iran-US calmed inflation concerns.

Historic Performance*

Time Period: 06/06/2025 to 05/06/2026



MKC Invest Income Focus 5	13.2%
Baseline Benchmark 5	15.5%
IA Mixed Investment 20-60% Shares	12.9%

Calendar Year Returns*

Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	2021	2022	2023	2024	2025
MKC Invest Income Focus 5	—	—	—	—	12.13
Baseline Benchmark 5	8.42	-10.44	10.45	10.63	9.40
IA Mixed Investment 20-60% Shares	6.31	-9.67	6.86	6.18	10.24

Cumulative Return*

Data Point: Return Calculation Benchmark: Baseline Benchmark 5

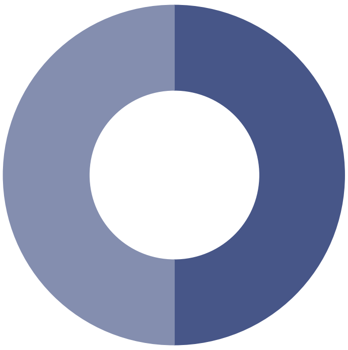
	YTD	3 Months	6 Months	1 Year	3 Years	5 Years
MKC Invest Income Focus 5	4.86	2.37	5.46	13.22	—	—
Baseline Benchmark 5	5.54	3.51	5.45	15.52	35.15	33.06
IA Mixed Investment 20-60% Shares	4.69	2.12	5.08	12.86	28.62	21.80

*The performance shown is net of fund and investment management charges. Past performance is not a reliable indicator of future results. This factsheet reflects our desired portfolio, but from time to time fund availability on platforms may cause minor differences. In all cases, portfolios will fully comply with mandates.

Source: Morningstar Direct

Asset Allocation - MKC Invest Income Focus 5

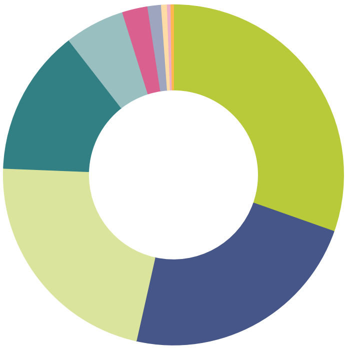
Portfolio Date: 10/01/2024



	%
Equity	50.0
Bond	50.0
Total	**100.0**

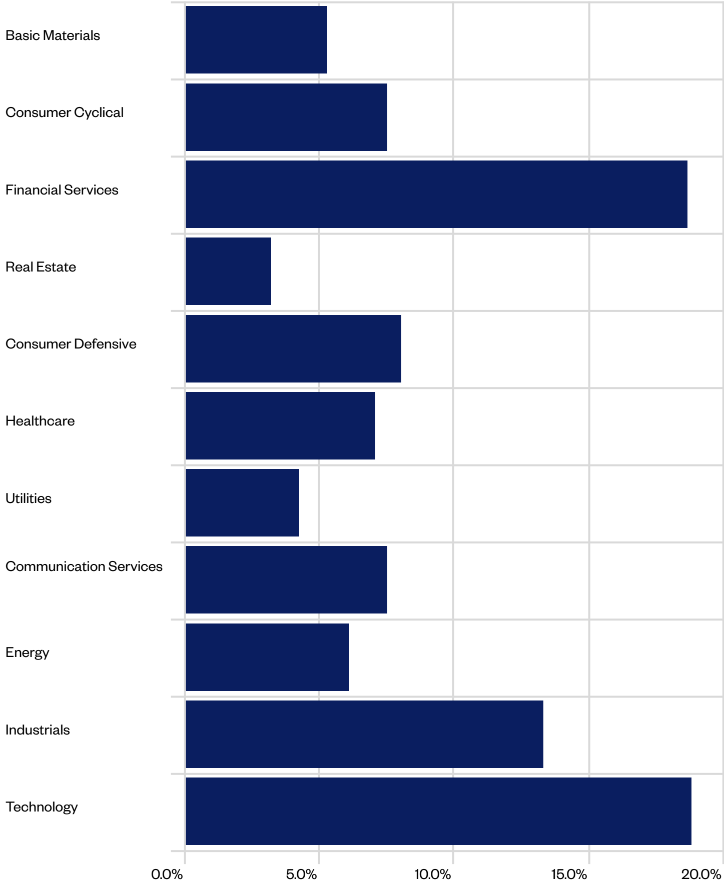
Equity Regional Exposure - MKC Invest Income Focus 5

Portfolio Date: 31/05/2026



	%
United Kingdom	30.4
North America	23.1
Europe dev	22.1
Asia dev	13.9
Asia emrg	5.7
Australasia	2.4
Latin America	1.3
Africa/Middle East	0.6
Japan	0.3
Europe emrg	0.2
Total	**100.0**

Equity Sector Exposure



Top 10 Underlying Securities:

	Portfolio Weighting %
HSBC Holdings PLC	1.30
Taiwan Semiconductor Manufacturing Co Ltd	1.14
AstraZeneca PLC	0.91
NVIDIA Corp	0.84
Samsung Electronics Co Ltd	0.79
Unilever PLC	0.76
Apple Inc	0.73
Rio Tinto PLC Ordinary Shares	0.72
Shell PLC	0.71
BP PLC	0.68

Historic Yield:

Baseline Benchmark 5: 2.25%
Income Focus 5: 5.50%

These yield figures are backward-looking, based on a rolling 12-month period, and indicate the typical percentage yield from share dividends, bond coupons, or other forms of earned investment income that would have been received over the period stated. Future yields are likely to differ substantially from historic yields. Source: FE Analytics (10/06/2026).

Costs and Charges:

Underlying Fund Costs: 0.50%
DIM Charge: 0.20%
Total Cost: 0.70%

Portfolio performance has been calculated using Morningstar Direct and is believed accurate based on the standard pricing of any underlying investment funds held in the portfolio. In some cases, clients may benefit from additional discounts to those same funds on their chosen custody platform. This will cause differences between actual performance and the performance calculated by Morningstar. We expect in all cases that these differences, where present, will be to investors' advantage.

Funds:

Funds	Portfolio Weighting %
Vanguard U.S. Govt Bd Idx £ H Dist	12.00
Schroder US Eq Inc Mxmsr L Inc £	10.00
Polar Cptl Eurp Ex UK Inc I Inc	8.00
Fidelity Enhanced Income W Inc Monthly	7.00
Jupiter Monthly Income Bd U1 GBP Inc	7.00
Liontrust Sust Fut Mn Inc Bd P Grs Inc	7.00
Schroder UK-Listed Equity Inc MxmsrZ£Inc	7.00
Schroder Asian Income Maximiser L £ Inc	6.00
Aegon European ABS I GBP Inc	5.00
Aegon High Yield Bond GBP B Inc	5.00
Fidelity Global Enhanced Income W Mlthly	5.00
Vanguard Global Credit Bond Inv GBPH Inc	5.00
VT RM Alternative Income F GBP Inc	4.00
Artemis Fds Lux SD Gl HighYieldBdFI£DisH	3.00
Artemis SmartGARP Glb EM Eq I Inc GBP	3.00
M&G Short Dated Corp Bd GBP I Inc	3.00
Royal London Short Duration Gilts M Inc	3.00

Source: Morningstar Direct