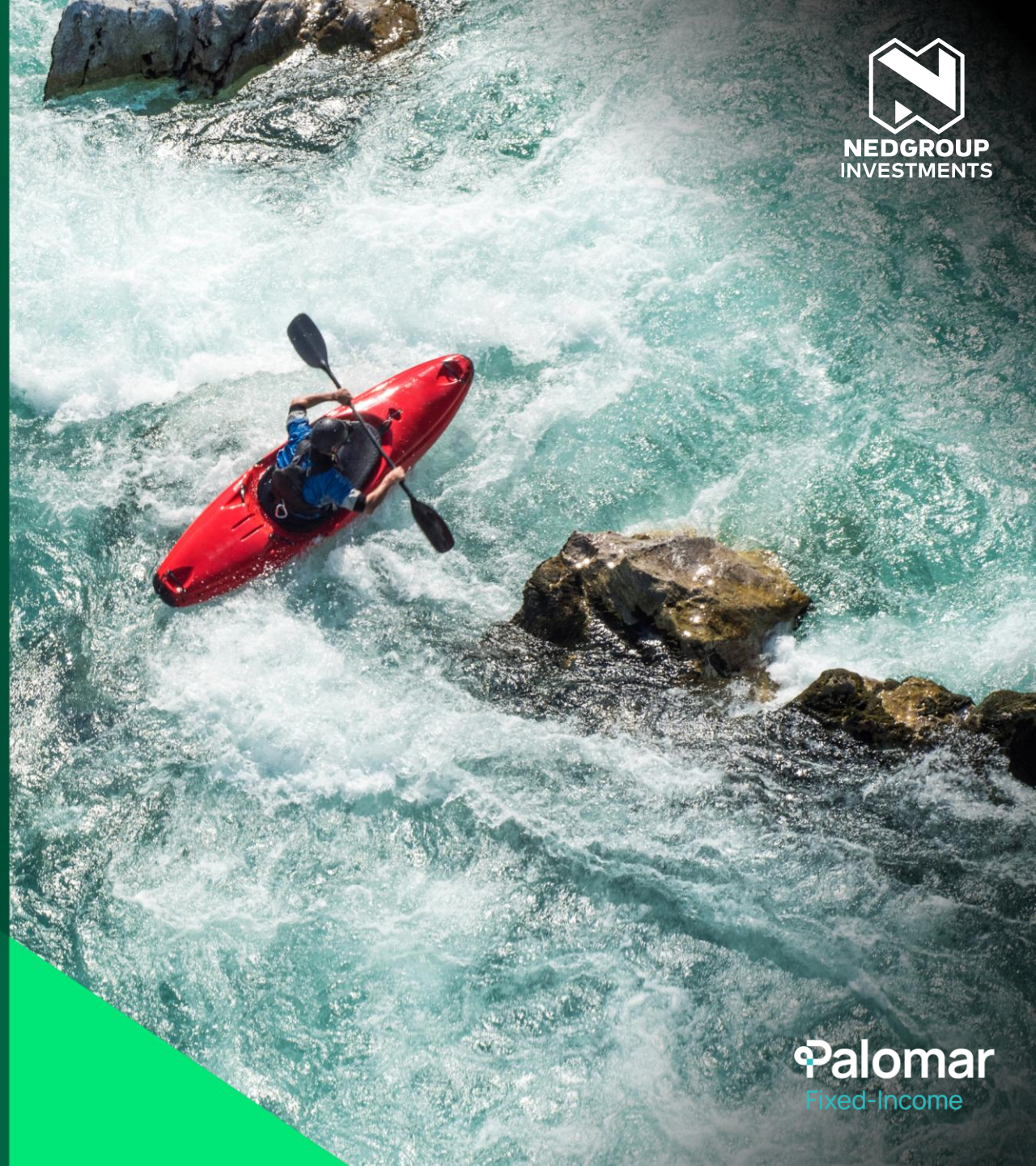


# Nedgroup Investments Global Strategic Bond Fund

## ▶ Global Bonds: The Case for Incremental Gains

Marketing Communication, March 2026

see money differently



# Nedgroup Investments: A stable, long-term investment partner

**20+**Year  
HERITAGE

**25**Bn  
AUM (\$)

**58 000+**  
CLIENTS WORLDWIDE

**GLOBAL**  
PARTNERSHIPS

**200+**  
EMPLOYEES







**STABLE**  
ORGANISATION  
*Backed by one of South Africa's Big Four  
Banks with a CET1\* ratio that is double the  
regulatory requirement*

**RESPONSIBLE**  
INVESTING

**AWARD**  
WINNING



# Specialist boutiques aligned with client outcomes

Asset class	Equities		Multi-asset		Fixed income	Property
Fund name	Nedgroup Investments Global Emerging Markets Equity Fund	Nedgroup Investments Contrarian Value Equity Fund	Nedgroup Investments Global Flexible Fund	Nedgroup Investments Global Cautious Fund	Nedgroup Investments Global Strategic Bond Fund	Nedgroup Investments Global Property Fund
Launch date of fund	Nov 2020	Jun 2018	Nov 2008	Nov 2008	Jan 2024	Aug 2016
Investment partner						
Start of partnership with fund manager	2019	2013		2019	2023	2016
SFDR status of fund	Article 6	Article 6	Article 6	Article 6	Article 8	Article 8

# Why partner with us?



## Core global bonds

- ▶ Unlevered core global bond portfolio that emphasises liquidity.
- ▶ Focus on interest rate and credit risk, avoids currency risk.
- ▶ Stays away from bonds that are:
  - illiquid
  - lower quality
  - exposed to material ESG risk



## Nimble portfolio management

- ▶ Demonstrable allocation skills in co-portfolio management set-up.
- ▶ Disciplined framework for nimble decision-making and ESG considerations.
- ▶ Strategic approach to alpha generation through relative value, duration and security selection.



## Proven track record

- ▶ Consistent rolling 3-year excess returns<sup>1</sup>.
- ▶ Superior rolling 3-year risk-adjusted returns<sup>1</sup>.
- ▶ 20+ years' experience as multi-sector bond investors.

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## Global Strategic Bond Fund

An active core global bond solution

# Nedgroup Investments Global Strategic Bond Fund



A portfolio constructed through a valuation-driven approach, benefitting from two seasoned managers who combine top-down macroeconomic perspectives and bottom-up credit selection.

## Portfolio Managers



David Roberts  
35 years in the industry  
26 years managing  
multi-sector bonds



Alex Ralph  
25 years in the industry  
23 years managing  
multi-sector bonds

- ▶ Seasoned multi-sector bond investors across markets
- ▶ An average of 30 years' experience in the industry

## Key Fund Facts

<b>Objective</b>	To provide a combination of capital growth and income over the long term by investing in global bonds
<b>Inception Date</b>	9 <sup>th</sup> January 2024
<b>Performance Indicator</b>	Bloomberg Global Aggregate Index (US\$ hedged)
<b>Fund size</b>	US\$263m (31 March 2026)
<b>Base currency</b>	US\$ (hedged GBP and EUR share classes available)
<b>SFDR status</b>	Article 8

# Deliberately constrained, bonds and only bonds


## Bloomberg Global Aggregate Index (Dec 24)


<b>52%</b>	developed market sovereign
<b>18%</b>	investment grade corporates
<b>0%</b>	high yield
<b>16%</b>	emerging market debt
<b>14%</b>	securitised debt

Mix of hard and local currency

## Our investment universe for core global bonds (expected ranges)

<b>30-40%</b>	developed market sovereign
<b>20-60%</b>	investment grade corporates
<b>20-30%</b>	high yield
<b>100%</b>	hard currency

 *Reject bonds that are illiquid, lower quality and have material ESG risk*

 *Minimise shocks by avoiding currency risk and equity*

 *No excessive interest rate risk. Duration range: 3-8 years*

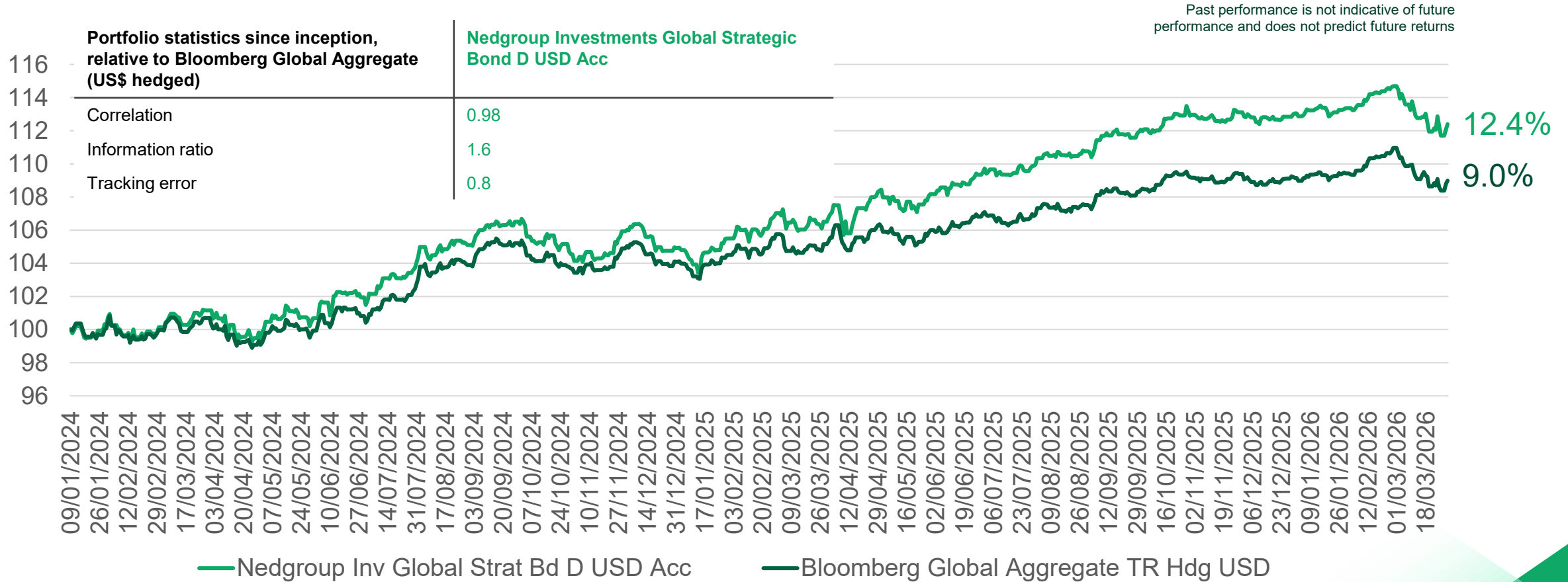
## Target outcomes

- ▶ Excess return 1.5% p.a. relative to Bloomberg Global Aggregate (hedged, US\$)
- ▶ Portfolio yield of 4-6%\*\* p.a. (in US\$ terms)
- ▶ Maintaining a positive portfolio ESG rating

# Delivering a bond fund that behaves like bonds



## Cumulative returns since inception (net of fees, % USD)



# Process in action

# A 3-way lens for delivering incremental gains across cycles

Bond markets are inefficient and often deviate away from their “fair value”. Our active approach is therefore driven by a combination of:



## Valuations

Beta strategies exploit absolute valuations of the general market. Alpha strategies exploit relative valuations, between different parts of the bond markets



## Fundamentals

Consensus economic forecasts need to be adjusted to reflect the path of incoming data and our perspectives on the impact to bond prices.



## Technical

Both quantitative and qualitative factors can offer information about the likely direction of flows to and from the bond markets. This includes supply and demand, investor positioning, investor surveys and trading book levels.

This three-way view highlights:

- ▶ Volatility
- ▶ Uncertainty and
- ▶ Opportunities

# An agile process without silos

Investment objective

To provide a combination of capital growth and income over the long term by investing in global bonds



Bottom-up idea generation and research responsibilities:

- Credit quality
- Credit geography
- Industry selection
- Security selection
- Issuer-level ESG research



## Portfolio construction in practice

Key inputs into portfolio construction

Set portfolio strategy  
Strategic asset allocation  
Sector rotation  
Geographical rotation

Leverage external research to empower decision making

On-the-desk communication and collaboration



Top-down idea generation and research responsibilities:

- Relative value
- Duration by geography
- Yield curve management
- Portfolio-level ESG research

# 2025 was a year of macro trends

## Benefitting from macro trends



## Asset allocation success



# If the macro trend is over, opportunity becomes incremental

Macro Economics	Micro Opportunity	Politics
<ul style="list-style-type: none"> <li>• Monetary policy diverges</li> <li>• Tariff and trade uncertainty</li> <li>• Legacy dislocations from 2025</li> </ul>	<ul style="list-style-type: none"> <li>• Private credit fall out</li> <li>• AI funding</li> <li>• Good old earnings</li> </ul>	<ul style="list-style-type: none"> <li>• US mid terms</li> <li>• Another Liz Truss moment</li> <li>• Canada loves China</li> <li>• French fancies</li> <li>• Turning Japanese</li> </ul>

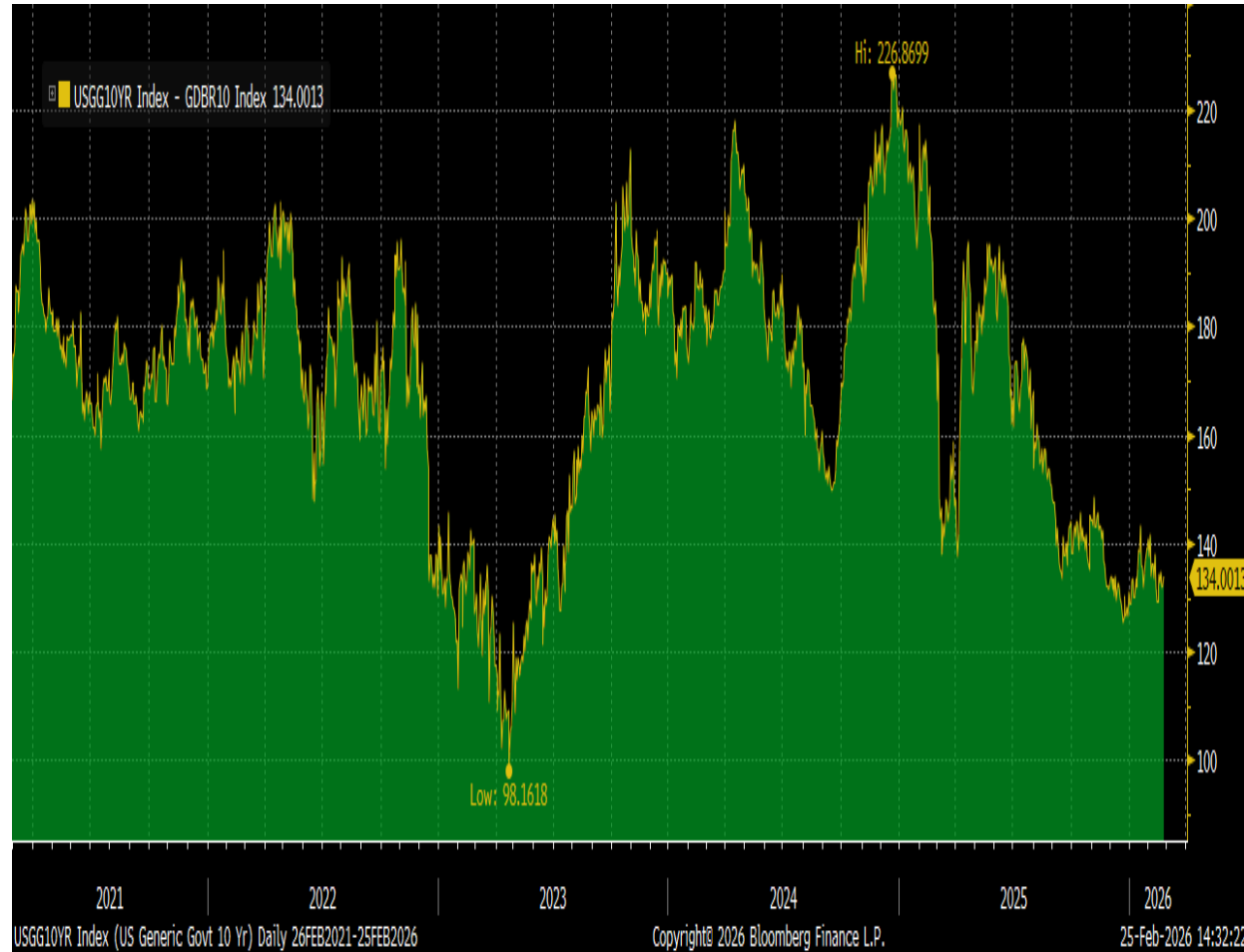
## Valuation and volatility are key

1. Macro divergence is key	2. Single Market Opportunity	3. Credit selection still vital	4. AI investment is not yet bond friendly
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# Opportunities for incremental gains

# Diverging policy paths creates G7 rate opportunities

## 10-year US Treasury less 10-year Bund yield curve



## Policy rates move to different beats

Lack of uniform G7 direction is no impediment to alpha:

- ECB and Canada do nothing
- US and UK cut
- Japan to hike rates
- A boon for active managers

Of course, Trump changes everything, doesn't he?

# Single market opportunity abounds

## Example: Australia 3-year government bond yield (%)



## Central bank uncertainty

- The end of the monetary cycle
- Maybe yes, maybe no
- Oz is a great example: from cutting to hiking on one month's data
- And no certainty RBA will follow through

# Japan: Panic or a slow-motion train wreck?

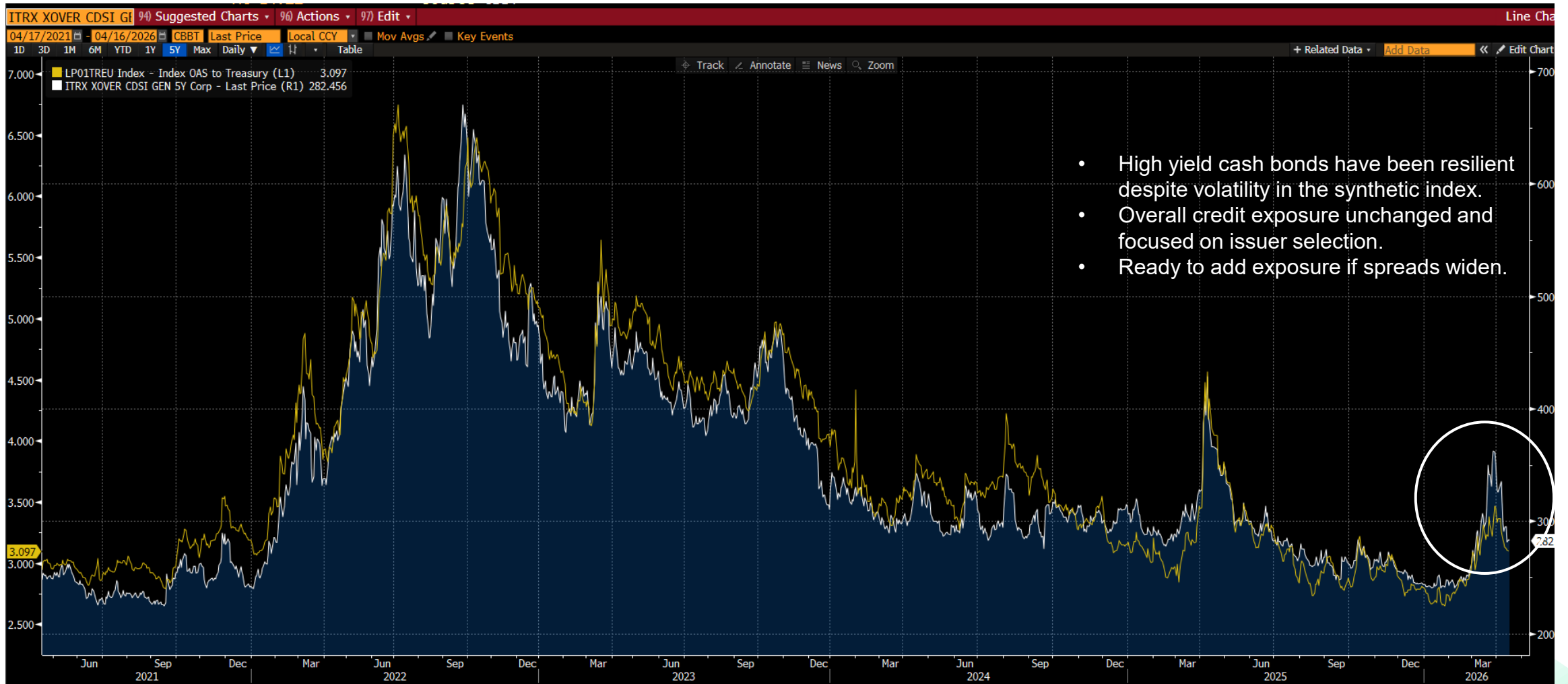
## Delayed normalisation



## Policy credibility matters

- Yield curve control from BOJ.
- Despite “hot” CPI for 4 years.
- A belated end saw normalisation.
- 2021 was the time to sell.
- Takaichi’s landslide had markets faffing.
- Since then, yields have fallen.
- Buy when others are panicked out.

# How long can credit stay low beta?



# Credit selection and timing matter

## Example: TUI



## Rationale

### Valuations:

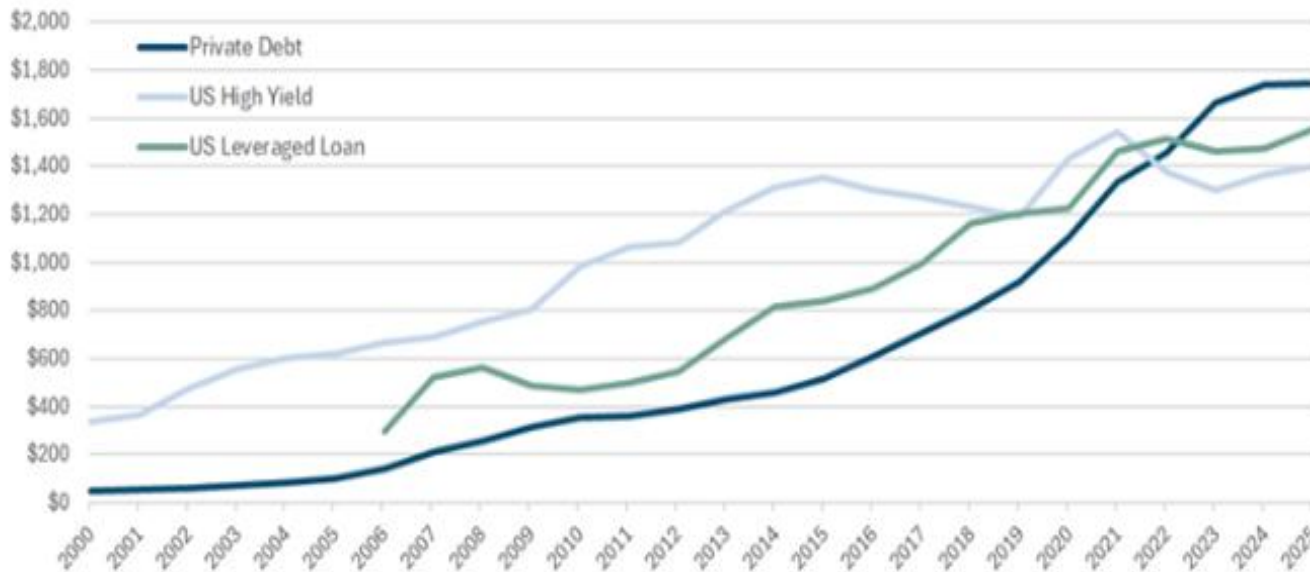
- Travel sector impacted significantly by Iran conflict.
- Spreads widened 250+bps in March.
- Bonds underperformed and briefly returned to Liberation Day levels.

### Fundamentals:

- Earnings impact from two cruise ships being caught up in Strait of Hormuz.
- Management reconfirmed 7-10% EBIT growth target in mid-March.
- Management focus on deleveraging.
- Holiday bookings robust so far with partial shift from east to west Mediterranean.

# Hidden risks within credit

## Private debt growth (US\$bn)



## Credit risk = liquidity risk + fundamentals

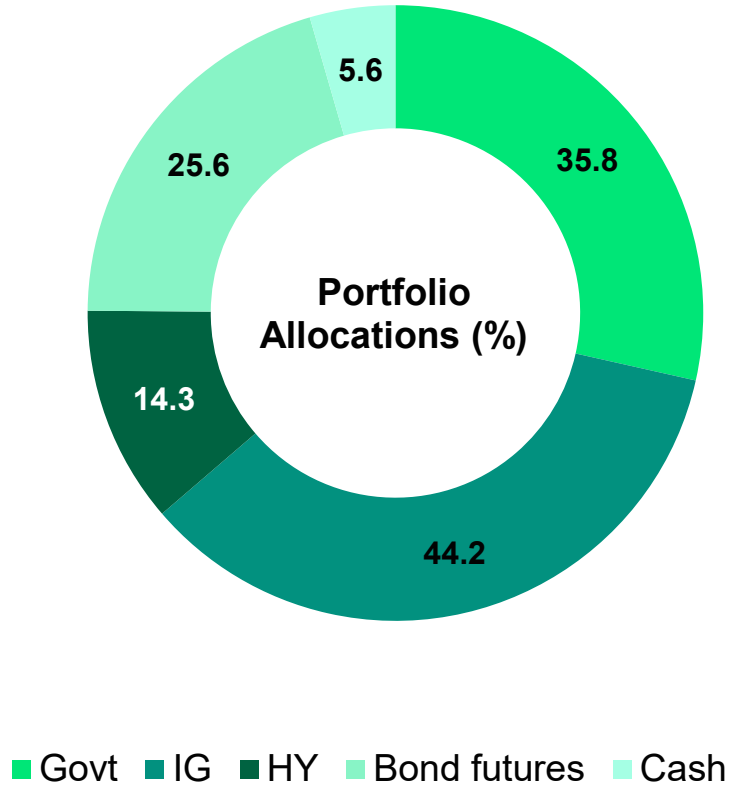
- Private credit growth masks hidden liquidity risk.
- Stability often masks fragility until redemptions hit.
- Public credit adjusts first and can look worse early.
- Lagged valuations of semi-liquid/illiquid assets could overstate resilience.
- Higher ratings do not eliminate liquidity risk.
- Active liquidity management is critical in credit.

# Portfolio Positioning

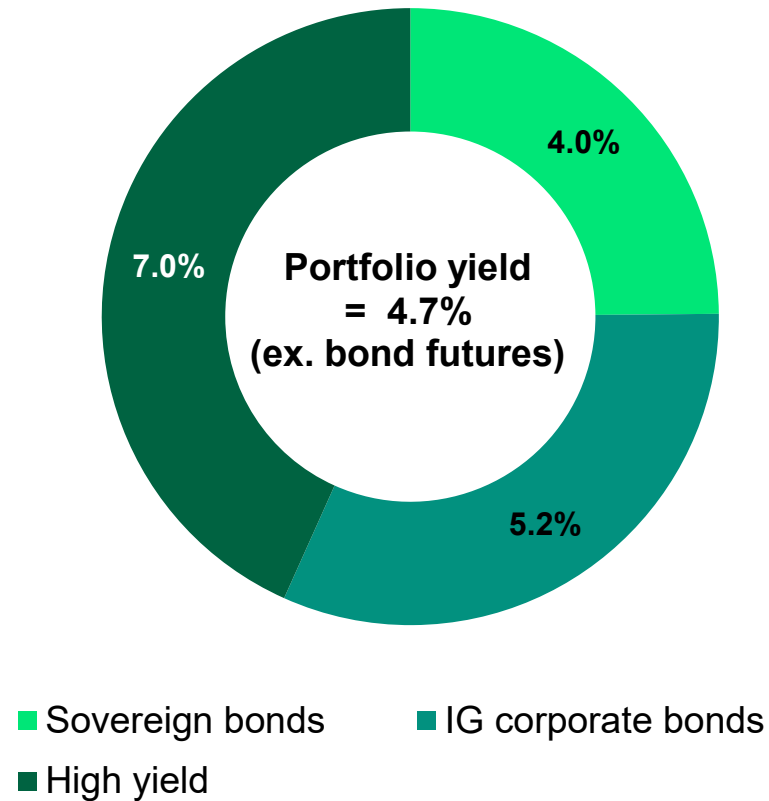
# Portfolio summary

Nedgroup Investments Global Strategic Bond Fund

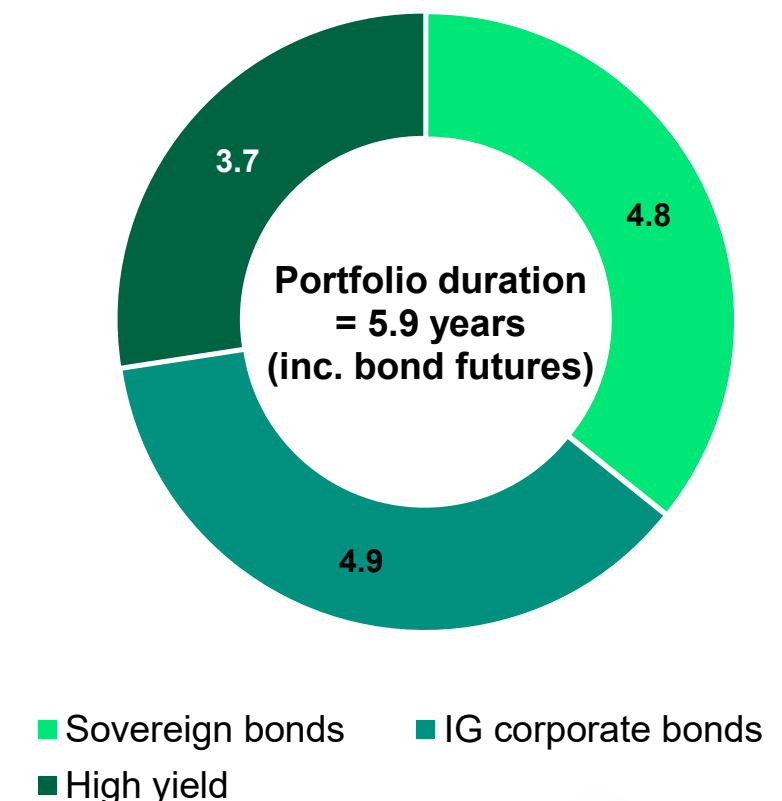
### Asset allocation



### Yield breakdown



### Duration breakdown

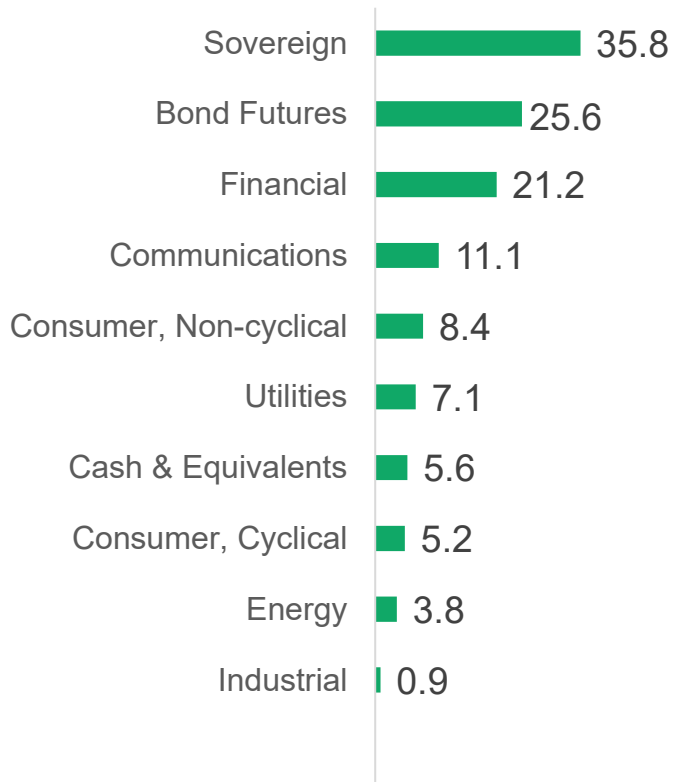


# Portfolio by sector, credit quality and duration

Nedgroup Investments Global Strategic Bond Fund

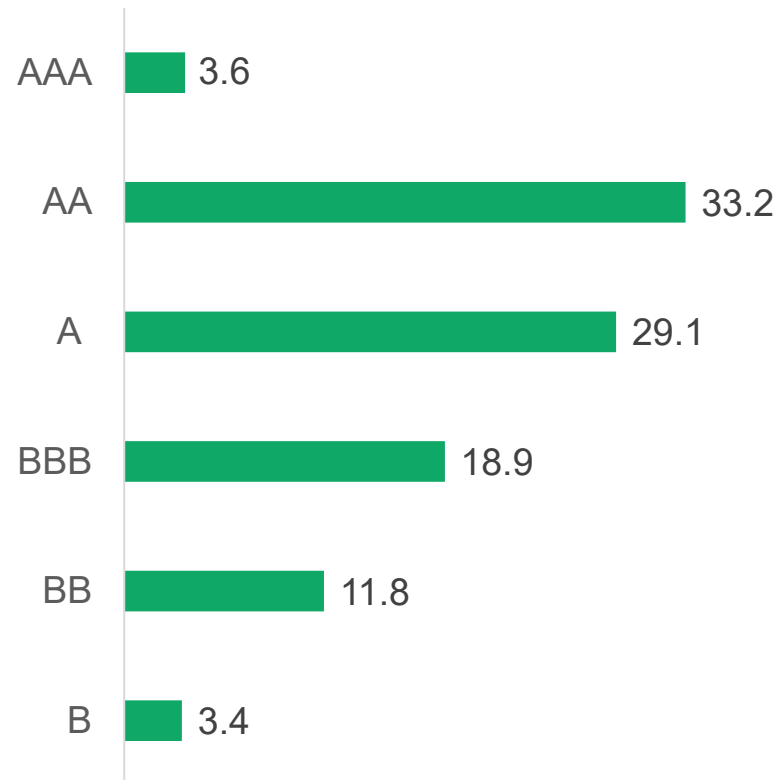


## Sector breakdown



## Credit breakdown

Portfolio average = A



## Duration breakdown

Portfolio duration = 5.9 years

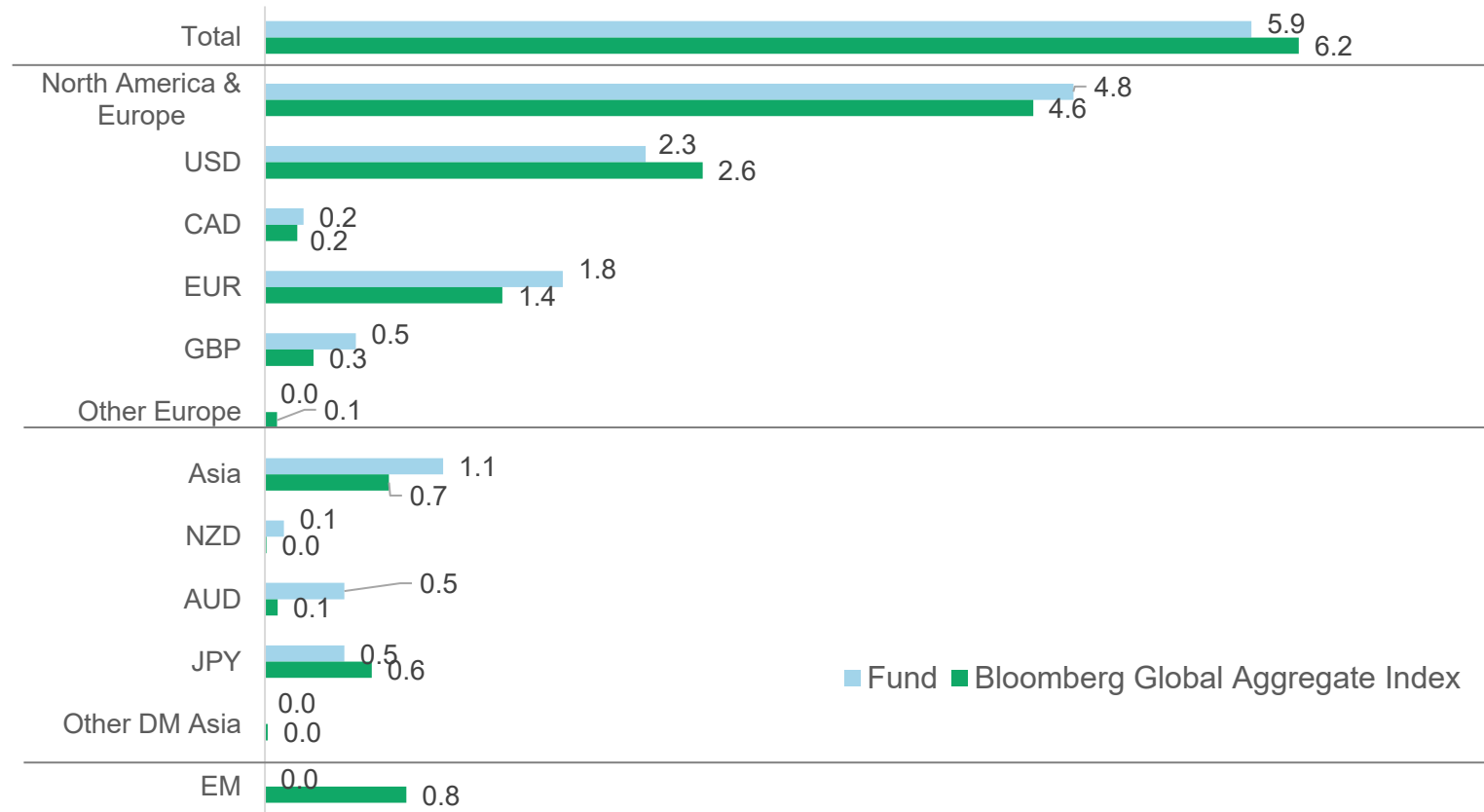


# Portfolio by duration and currency

Nedgroup Investments Global Strategic Bond Fund



## Positioning for cyclical dispersion



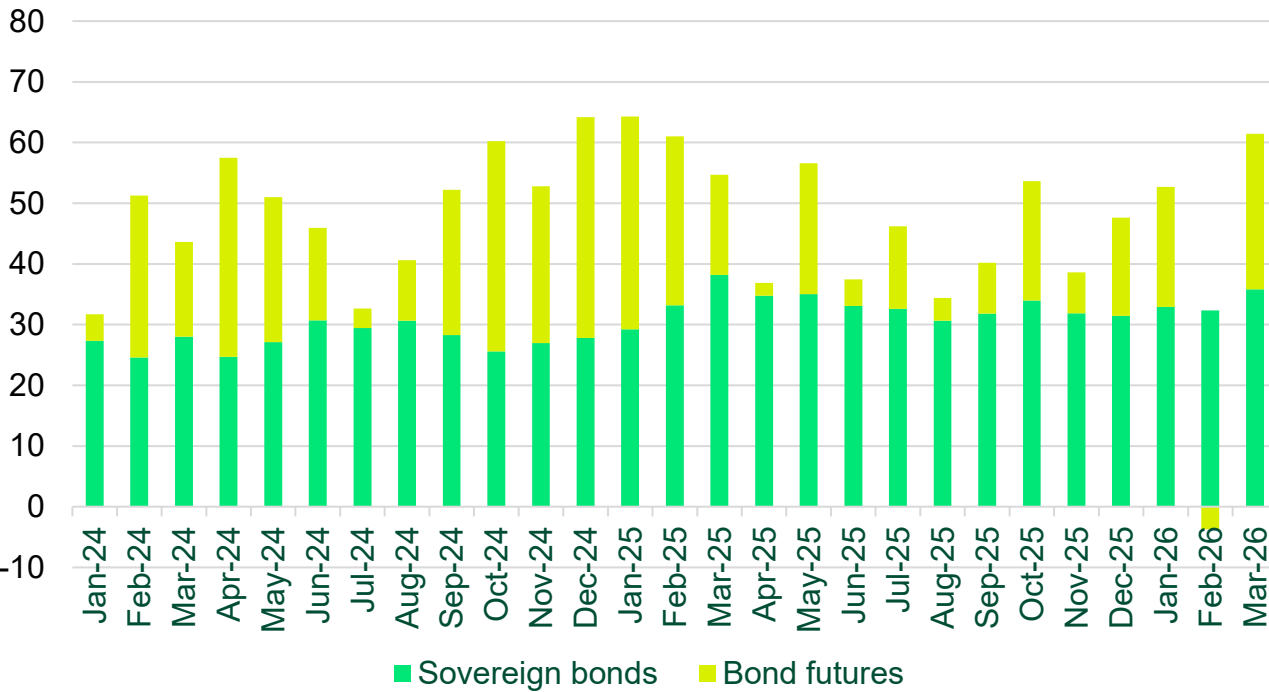
- ▶ Headline duration slightly lower than the index.
- ▶ Slight US underweight, driven by reduced exposure to longer dated bonds.
- ▶ Japan will raise rates.
- ▶ Australia beginning to price in rate hike.

# Asset allocation since inception

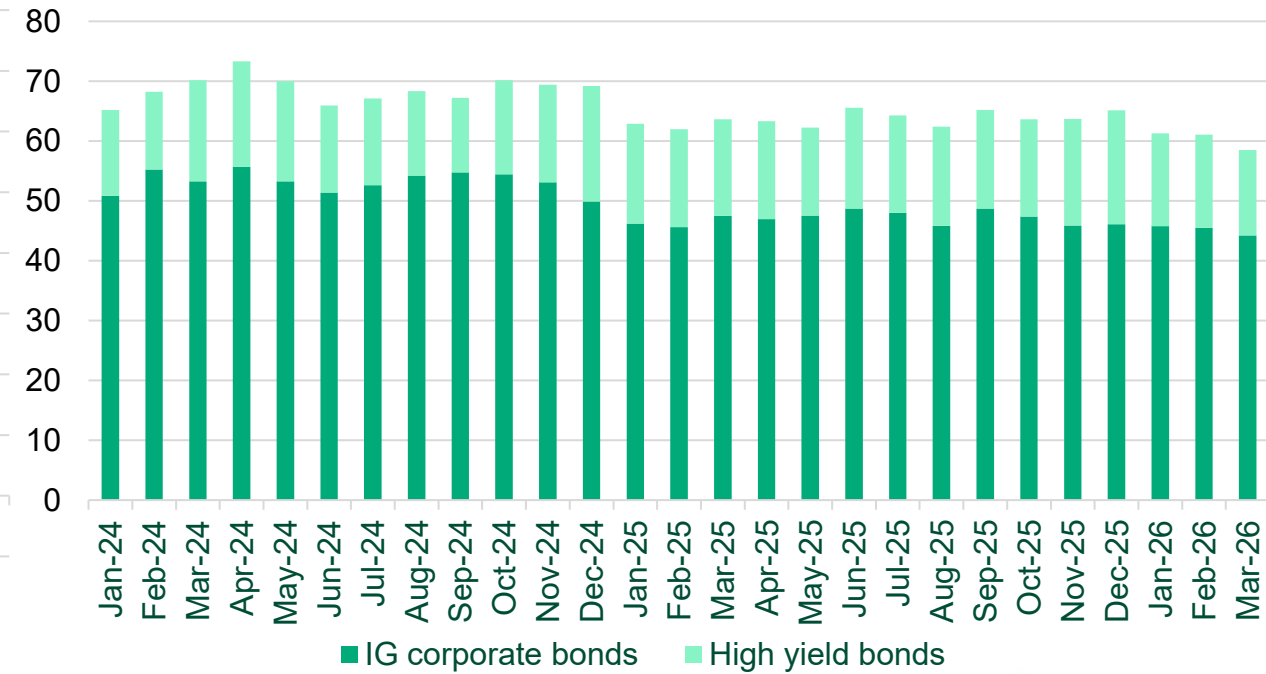
Nedgroup Investments Global Strategic Bond Fund



### Rates exposure (%)



### Credit exposure (%)

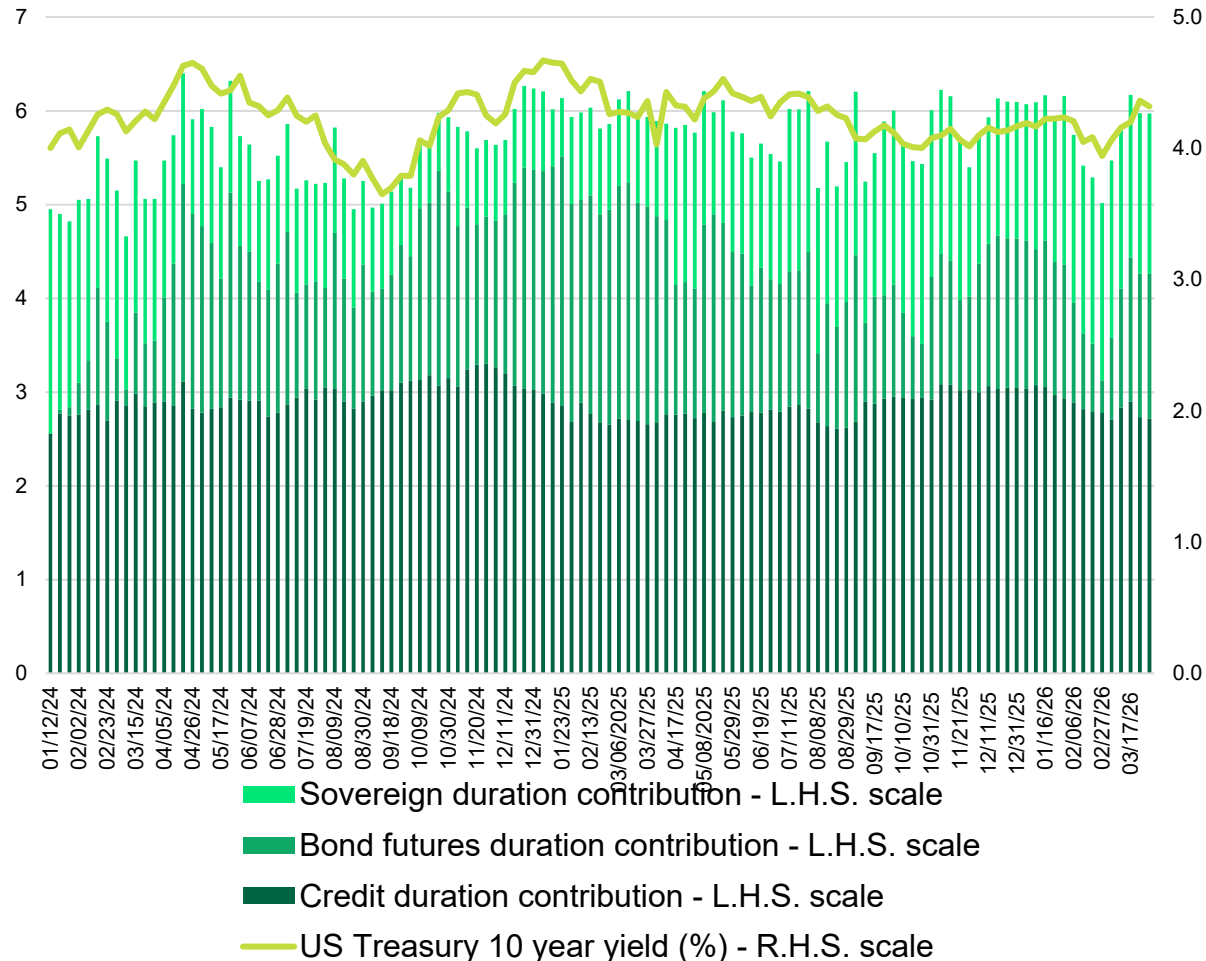


# Duration decisions since inception

Nedgroup Investments Global Strategic Bond Fund



## Portfolio duration by sector



## Portfolio duration breakdown

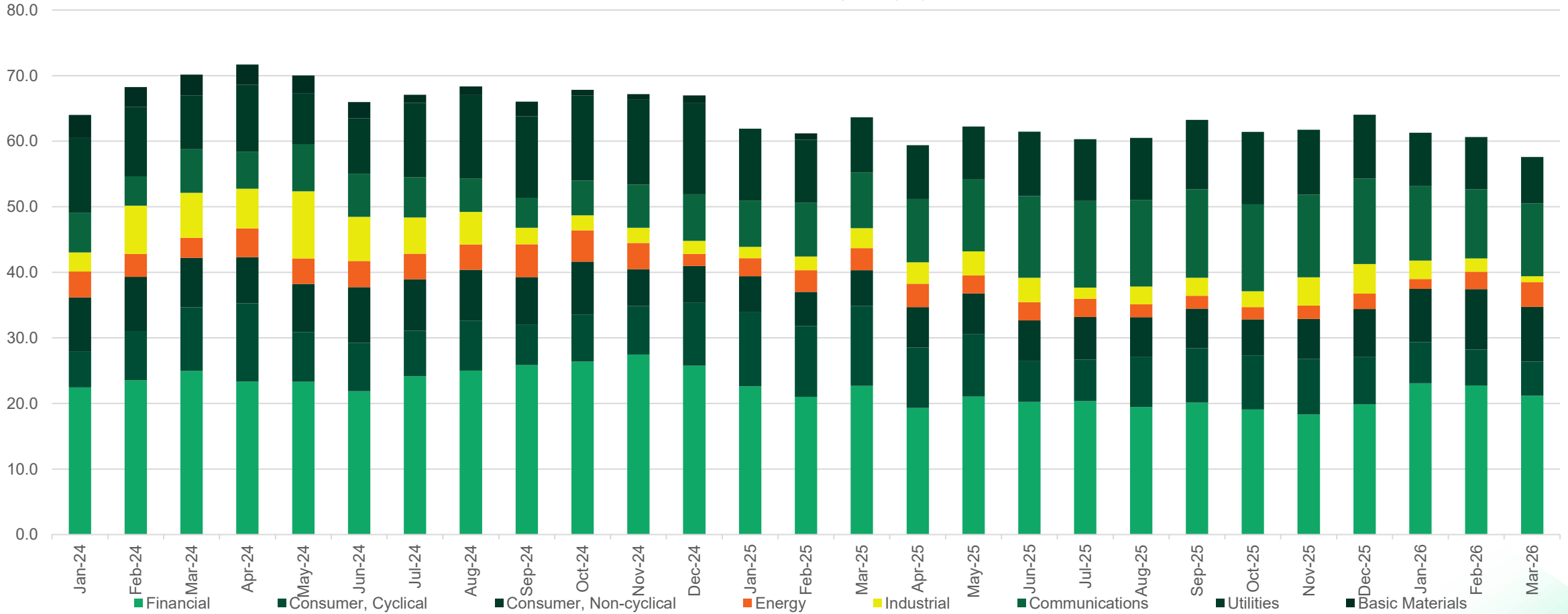
Duration contribution (years)	Jan-24	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
<b>Rates</b>	<b>1.7</b>	<b>2.1</b>	<b>2.7</b>	<b>2.2</b>	<b>3.2</b>	<b>3.1</b>	<b>2.7</b>	<b>3.0</b>	<b>3.0</b>	<b>3.2</b>
US	2.4	2.7	2.4	2.8	2.7	2.1	1.7	1.5	1.3	1.4
UK	-0.5	-0.6	0.0	0.0	0.4	0.4	0.3	0.4	0.2	0.3
Germany	0.4	0.3	0.4	-0.1	-0.2	0.0	0.5	0.4	0.1	0.2
France	0.4	0.4	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Canada	-0.7	-0.5	-0.4	-0.5	0.0	0.0	0.2	0.2	0.4	0.2
Japan	-0.3	-0.2	0.0	0.0	0.0	0.0	0.0	0.3	0.4	0.5
Australia	0.0	0.0	0.0	0.0	0.4	0.5	-0.3	0.0	0.5	0.5
New Zealand	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.1
<b>IG bonds</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.8</b>	<b>2.5</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.3</b>	<b>2.2</b>
<b>High yield bonds</b>	<b>0.4</b>	<b>0.5</b>	<b>0.4</b>	<b>0.3</b>	<b>0.6</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.7</b>	<b>0.5</b>
<b>Total portfolio</b>	<b>4.4</b>	<b>5.0</b>	<b>5.5</b>	<b>5.2</b>	<b>6.4</b>	<b>5.8</b>	<b>5.5</b>	<b>6.0</b>	<b>6.0</b>	<b>5.9</b>

# Sector rotation since inception

## Nedgroup Investments Global Strategic Bond Fund



Sector Portfolio Weights (%)



# Top convictions

Nedgroup Investments Global Strategic Bond Fund

## Top sovereign holdings

Holding	Bond type	Weight in portfolio (%)	Yield in US\$ terms (%)	Duration (years)	Credit rating
Australian Government Bonds	Futures	17.4	n/a	2.7	AAA
US Treasury	Cash	16.0	4.1	5.8	AA
US Treasury Bill	Cash	10.8	3.7	0.1	AA
German Government Bonds	Cash	3.4	4.4	8.7	AAA
Canadian Government Bonds	Future	3.2	n/a	7.1	AAA

## Top credit holdings

Holding	Industry	Weight in portfolio (%)	Yield in US\$ terms (%)	Duration (years)	Credit rating
CIBC	Bank	1.2	5.0	3.9	A
Wintershall Dea Finance BV	Oil&Gas	1.2	5.4	3.2	BBB
Skandinaviska Bank	Bank	1.2	5.2	6.1	A
Baker Hughes Holdings	Oil&Gas	1.2	5.4	6.9	A
United Rentals North America	Comm	1.2	5.1	1.8	BBB

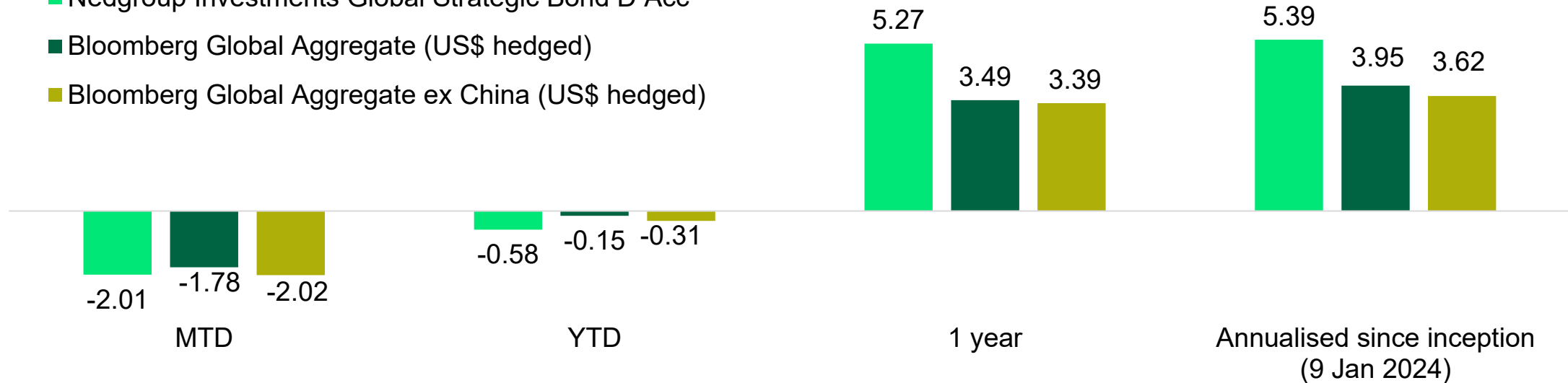
# Summary

# Results to date

## Net of fees returns to 31 March 2026 (USD,%)

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

- Nedgroup Investments Global Strategic Bond D Acc
- Bloomberg Global Aggregate (US\$ hedged)
- Bloomberg Global Aggregate ex China (US\$ hedged)



# Summary



2024/25 excess and total return involved macro trends.

The majority of 2026 returns are likely to come from income.

But economics and politics has always offered alpha.



Economics insists this is the “old normal”.

But cycles diverge.

Political uncertainty remains.



Rates: less likely to see big macro trends, more likely to see short-term volatility.

Meanwhile tight credit spreads mask rising risks - issuer selection is key.

Incremental gains preferred to large directional bets.

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**Global Strategic Bond Fund**  
An active core global bond solution

# Appendix



# The Nedgroup Investments Advantage



Everyone should benefit from the difference that the best boutiques bring.

**We do this by:**

## 1. Championing boutiques

We create the right conditions for fund managers to flourish and deliver consistently strong outcomes.

## 2. Selecting the exceptional

We are dedicated to finding exceptional fund managers - our deep experience as multi-asset investors, gives us a distinct advantage.

## 3. Partnering for decades

We foster multi-decade relationships to provide clients more choice, better access and alignment with their investments.

**Harnessing the power of boutiques**

# How we embed ESG considerations

## We believe

- ▶ A holistic approach to issuer research and balance sheet analysis is essential
- ▶ Participation towards decarbonisation is more impactful over exclusion alone
- ▶ Governance can be decisive for credit investing

## Our goal

- Maintain a positive ESG rating for the overall portfolio that,
- ▶ exceeds the Bloomberg Global Aggregate Total Return Index and
  - ▶ is greater than 'BBB', based on the MSCI scale

## How we will achieve this:

### Exclusion screens

We exclude violators of the UNGC principles and OECD guidelines, companies involved in controversial weapons, tobacco production and utilities with coal exposure where the issuer has no mandated transition plan.

### Restrictions

- ▶ Minimum ESG rating for sovereign issuer: BB.
- ▶ Maximum exposure to issuers with an ESG rating lower than BB limited to 10%.

### Positive focus

Alongside fundamental research, monitoring of improvements and deterioration to ESG ratings over time helps identify issuers transitioning their business model.

### Engagement

Engagement can be particularly effective with issuers who are less advanced in their sustainability practices, such as unlisted corporate high yield issuers.

# BHP

### Screens

Copper mining has a large environmental impact given its high consumption of energy and water

### Data-led ESG analysis

- ▶ Copper is a vital commodity in the transition towards a low carbon economy
- ▶ BHP also mines Nickel, a metal used in the production of modern EV batteries

### Positive focus

- ▶ New risk management protocol for JV's following the 2015 dam failure in Brazil in relation to a 50/50 JV for an iron ore mine
- ▶ Sustainability targets implemented to reduce freshwater usage – a material challenge for mining
- ▶ Introduced target to maintain total operational GHG emissions below 2017 levels despite high business growth

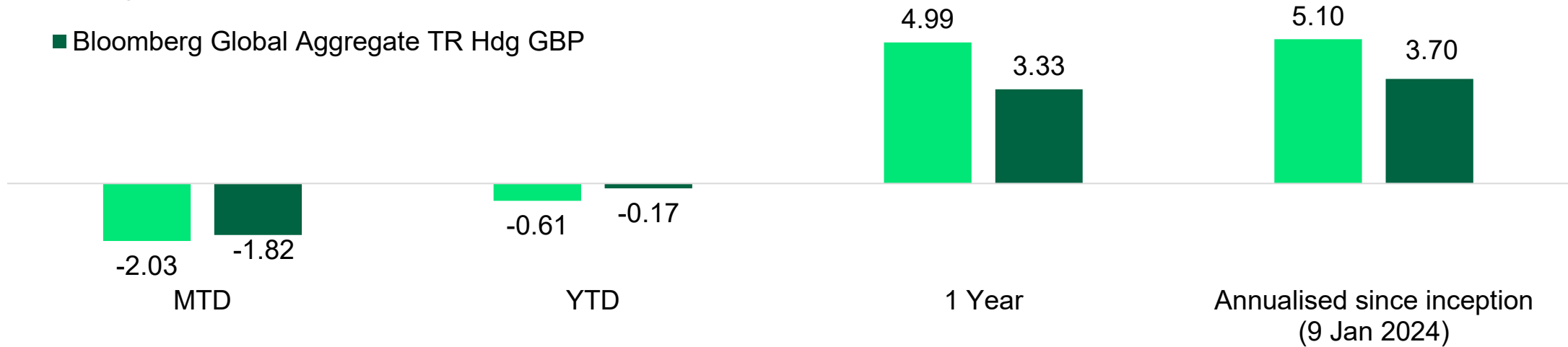
# Track record

# Results to date

## Net of fees returns to 31 March 2026 (GBP,%)

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

- Nedgroup Inv Global Strat Bd D GBP H Inc
- Bloomberg Global Aggregate TR Hdg GBP



# Long-term track record of consistency



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

Track record	Period	3- year rolling average		
		Excess returns (net)	Excess returns (gross)	Returns (net)
<i>Aegon (managed by David Roberts)</i>	Apr 04 – Dec 17	1.0%	1.6%	5.9%
<i>Liontrust (managed by David Roberts)</i>	Apr 18 – Feb 22	1.0%	1.3%	4.3%
<i>Artemis (managed by Alex Ralph)</i>	Jun 05 – Aug 21	1.5%	2.5%	5.7%

Track record results in GBP. Net results after fees and expenses. Index shown is Bloomberg Global Aggregate Total Return Index (hedged to GBP). Aegon track record is for Aegon Strategic Bond Fund Class B from 30 April 2004 to 31 December 2017. Liontrust track record is for Liontrust Strategic Bond Fund Class C8 from 30 April 2018 to 28 February 2022. Artemis track record is for Artemis Strategic Bond Fund Class R from 30 June 2005 to 31 August 2021. Source: Morningstar, Nedgroup Investments

# Disclaimer

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

These documents are available from Nedgroup Investments (IOM) Ltd (the Investment Manager) or via the website: [www.nedgroupinvestments.com](http://www.nedgroupinvestments.com), where the prospectus is available in English and the KIIDs/KIDs in English and the official languages of each country of registration.

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The Fund is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and as may be amended, supplemented, or consolidated from time to time and any rules, guidance or notices made by the Central Bank which are applicable to the Fund. The Fund is domiciled in Ireland. Nedgroup Investment (IOM) Limited (reg no 57917C), the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority. The Depositary of the Fund is Citi Depositary Services Ireland DAC, 1 North Wall Quay, Dublin 1, Ireland. The Administrator of the Fund is Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

The sub-funds of the Fund (the Sub-Funds) are generally medium to long-term investments, and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

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

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

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

Prices are published on the Investment Manager's website.

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

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

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