The Church of Scotland Investors Trust

Constituted by Act of Parliament 1994

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Church of Scotland – Growth Fund Factsheet
Q3 2026

WELLINGTON MANAGEMENT

Market Review

Global equities rose in the third quarter as strong corporate earnings and AI investment supported markets despite higher energy costs and rising bond yields. S&P Global's preliminary September business surveys identified AI investment, defence spending, and consumer demand as sources of growth, as its GDP-weighted G4 Composite PMI Output Index showed aggregate business activity across the US, eurozone, Japan, and UK expanding at its fastest pace since March 2022. Stronger activity coincided with renewed inflation pressures. US businesses reported the fastest increase in input costs since October 2022, while input-cost inflation also accelerated in the eurozone and UK. This combination strengthened the case for further monetary tightening in several major economies, with higher bond yields weighing on equity valuations even as earnings prospects improved. Higher energy prices lifted revenues for energy producers able to sustain output and exports but eroded household purchasing power, particularly in energy-importing economies, and pressured margins in energy-intensive industries. In China, strong exports contrasted with subdued retail sales and declining property investment, underscoring the gap between external and domestic demand.

The MSCI All Country World returned 1.6% over the quarter. Within the index, six out of 11 sectors rose for the quarter. Energy and information technology were the top performing sectors, while utilities and industrials were the bottom performing sectors over the period.

Investment Returns (%,GBP)

	3 months	Since inception
Fund	4.8	23.9
Benchmark	1.6	21.5
Relative	3.2	2.3

Outlook

At the end of the period, our largest overweights were industrials and real estate. We were most underweight to communication services and energy, neither of which we had exposure to. From a regional perspective, our largest overweight was Europe and we were most underweight to North America and Emerging Markets.

Extracted from Wellington Management and M&G Investment Reports for The Church of Scotland Investors Trust Growth Fund as at 30 September 2026

Top 10 Overweight Positions

Company	% of equities	% of benchmark	Active position (%)
Microsoft	7.6	3.5	4.1
Taiwan Semiconductor	5.7	1.9	3.8
Advanced Micro Devices	4.6	1.0	3.6
Visa	4.1	0.6	3.5
Amphenol	3.4	0.2	3.2
Compass Group	3.1	0.0	3.0
Inditex	3.1	0.1	3.0
AIA Group	3.0	0.1	2.9
Auto Date Processing	3.0	0.1	2.9
Mettler - Toledo	2.9	0.0	2.9
Total	**40.5**	**7.5**	

M&G INVESTMENTS

Performance
The Fund delivered a 0.60% return during Q3 2026, outperforming its cash benchmark by 3 bps. Corporate bond selection was the principal driver of active return (+5 bps), led by Industrial (+3 bps) and Financial (+2 bps) exposures.

At the issuer level, the strongest contributors within corporate bonds were Concentrix Corporation (+3.0 bps), Arqiva Broadcast Finance (+2.2 bps) and Tereos Finance Groupe (+1.2 bps). On the downside, the largest corporate bond detractors were Virgin Media (-4.1 bps), Paramount Global (-1.7 bps) and Stellantis (-1.4 bps). Overall, strong issuer selection across corporate credit was the key driver of outperformance during the challenging quarter.

Outlook
The quarter ended with a sharp reset in sovereign yields but only limited broad-based credit-spread deterioration. This creates a more balanced opportunity set: high-quality government bonds now offer stronger income and greater potential diversification, while investment-grade credit continues to benefit from sound fundamentals. Across our fundamental credit strategies, we remain selective and disciplined when adding risk to portfolios, only doing so when valuations provide sufficient compensation for the underlying risks.

M&G Sustainable Total Return Credit Investment Fund	
Portfolio Value as at 30.09.26	**£76,897,016**