

QUARTERLY INVESTMENT REPORT Q3 2026

As of 30 September 2026

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We are always looking at ways in which we can improve the information we provide our members. Our online Member Voice Panel allows you to be part of a community and express your views and opinions of USS. Your feedback will influence the way we do things and impact future decision making.

Investments with you in mind

We make investments with long-term investment goals in mind. Find out more about where we invest.

The investment managers

USS Investment Management Limited (USSIM) oversees your money. Some of our investments are directly managed by a team of in-house investment professionals but we also select and monitor a range of external investment managers. Our investment managers can adapt to the ever-changing markets – and help towards building a more secure financial future for you.

Your investment choices

When we make investments, we think about the impact of financially material environmental, social and governance (ESG) issues. In addition, all our members with Defined Contributions (DC) savings in the Investment Builder have the choice to invest in our ethical investment options:

Do It For Me option

You can let our team manage your investments with the Do It For Me option. Here, you also get to choose between the USS Default Lifestyle option or the USS Ethical Lifestyle option.

Let Me Do It option

You can make your own investment choices with the Let Me Do It option. Here, you get to choose to invest in one or more of the 10 funds available, which include ethical options.

To find out more about where your Investment Builder savings are invested and your options, visit Choosing your investments page.

Our investment glossary is designed to help you better understand the world of investing. Find out what different terms used throughout this report mean:
uss.co.uk/how-we-invest/investment-glossary



Investment commentary July 2026 - September 2026

Global markets were mixed over the three months to 30 September 2026. Equity performance was positive, however bond markets produced negative returns as concerns around high levels of government debt globally and ongoing conflict in the Middle East fuelled concerns about inflation, pushing bond yields higher and prices to fall. Developed market equities outperformed emerging market equities, which fell slightly.

Your Investment Builder pot is invested to grow over time and can go up or down with markets. We take a long-term approach to investing, so short-term ups and downs are a normal part of how your pension grows over time.

Equities edge higher while bonds struggle as global debt and inflationary concerns linger

- Global equities delivered modest positive returns over the third quarter. Strong company earnings supported markets, particularly in the US where large technology companies investing heavily in artificial intelligence (AI) performed well. UK equities also rose, supported by gains in the energy sector as oil prices rose sharply, while emerging markets fell slightly.
- Global bond markets produced negative returns over the quarter. Higher energy prices revived inflationary pressures and concerns around high levels of government borrowing led investors to expect interest rates to stay higher for longer, with the US Federal Reserve and the European Central Bank both raising rates in September. Government bond yields rose (which means prices fell), with UK 30-year bond yields reaching their highest level since 1998. Corporate bonds also fell, broadly in line with government bonds.
- Performance across the scheme's private market investments was mixed over the quarter. Infrastructure, Private Equity, Property and Alternative Income generated positive returns, while Private Credit detracted from overall performance. Over the longer term, the Trustee believes that private markets provide investment opportunities and structures not available in public markets, which may provide opportunities for additional returns, diversification, protections, or other desired characteristics relative to public market assets.
- Bond returns negatively impacted performance of some Do It For Me funds. More cautious funds hold more in bonds, which are generally less volatile than equities but can still fall in value. As a result, the Growth Fund outperformed the Moderate Growth Fund, which in turn outperformed the Cautious Growth Fund.
- The Default Lifestyle outperformed the Ethical Lifestyle, largely due to greater diversification and performance of private market allocations, lower allocation to bond holdings and performance of the underlying equity allocations which differ between the approaches.
- In the Let Me Do It investment options, performance was mixed over the quarter. The Global Equity Fund, UK Equity Fund and Sharia Funds generated positive absolute returns, with the UK Equity Fund the strongest performer, supported by gains in the energy sector. The Emerging Markets Equity Fund and the Bond Fund produced negative absolute returns, however the longer term performance of the Emerging Markets Equity Fund remains strong.

£4,731m
in assets under management as at 30 September 2026

Lifestyling explained: Do It For Me option

If you select the Do It For Me option, we gradually move your investments over time through different blends of Growth, Moderate Growth, Cautious Growth and Liquidity, which are gradually less susceptible to market volatility but still do carry risks. This is called lifestyling and it begins 10 years from your Target Retirement Age (TRA).

Here's how lifestyling works:

	Until 10 years before your Target Retirement Age	Between 10 and five years before your Target Retirement Age	From five years before your Target Retirement Age	At your Target Retirement Age (and onwards)
The USS Default Lifestyle option	You'll be invested in the USS Growth Fund	You'll gradually move into an equal split of the USS Growth Fund and the USS Moderate Growth Fund	You'll gradually move into a split of 50% USS Cautious Growth Fund, 25% USS Moderate Growth Fund and 25% USS Liquidity Fund	You'll be invested 50% in the USS Cautious Growth Fund, 25% in the USS Moderate Growth Fund and 25% in the USS Liquidity Fund*
The USS Ethical Lifestyle option	You'll be invested in the USS Ethical Growth Fund	You'll gradually move into an equal split of the USS Ethical Growth Fund and the USS Ethical Moderate Growth Fund	You'll gradually move into a split of 50% USS Ethical Cautious Growth Fund, 25% USS Ethical Moderate Growth Fund and 25% USS Ethical Liquidity Fund	You'll be invested 50% in the USS Ethical Cautious Growth Fund, 25% in the USS Ethical Moderate Growth Fund and 25% in the USS Ethical Liquidity Fund*

*At present you can keep your money in the Investment Builder after you retire. USS rules allow up to four withdrawals per year, (current legislation permits withdrawals) but there won't be any further automatic moving in the investments after you've reached your TRA.

The breakdown of the funds within the lifestyle options shown and how they move over time may be subject to change from time to time, so it is important for you to refer to the latest version of this guide for the most up to date information.

Performance and risk metrics: Do It For Me funds

Comparative risk

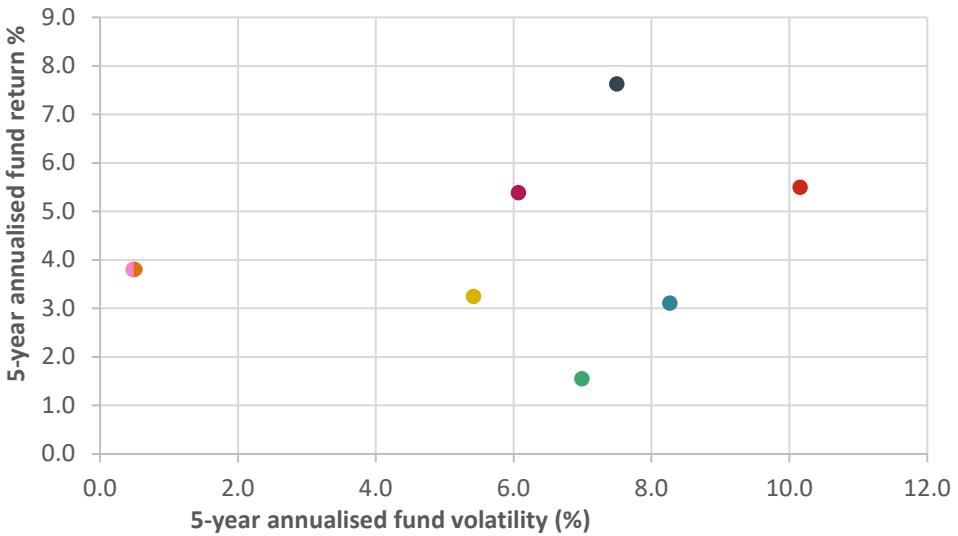
Risk factor

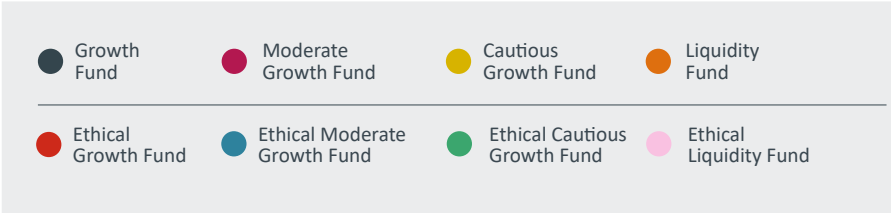
This illustrative chart shows how we expect the risk of the Do It For Me funds to compare over the long term. The risk factors range from Low to High and are shown on a relative basis.



Realised risk and return

This chart shows a comparison of the realised risk and return of the Do It For Me funds (after subsidy) over a five year period.

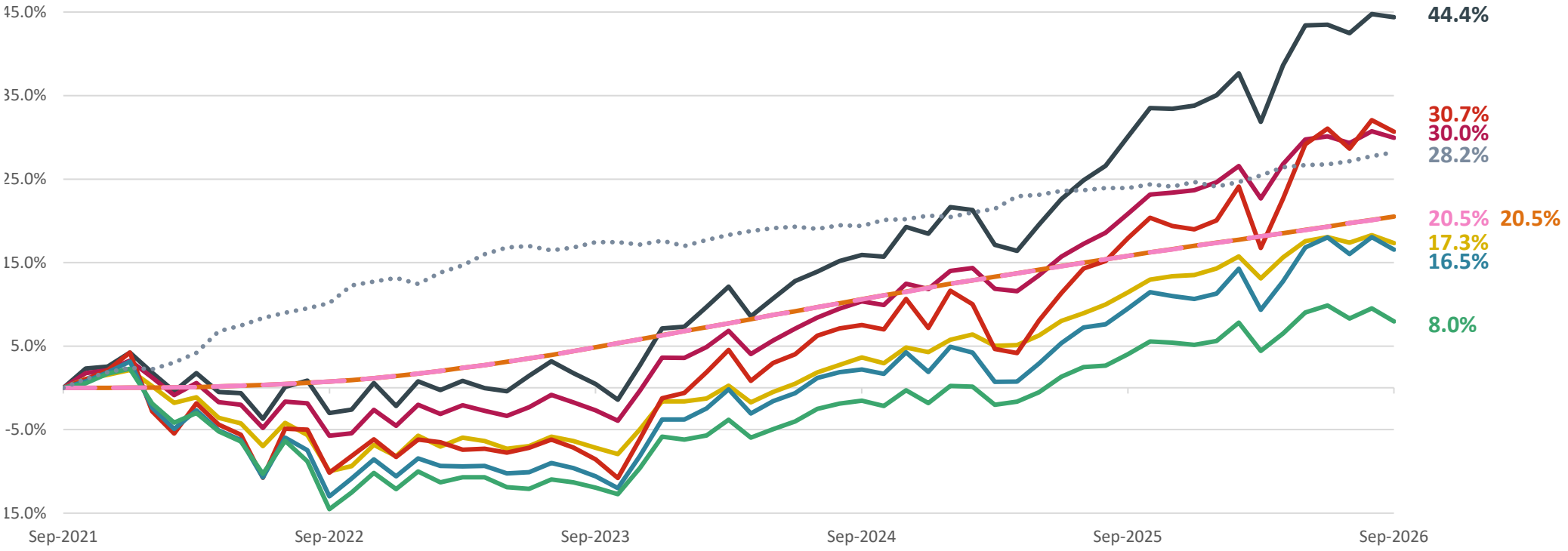




Performance and risk metrics: Do It For Me funds

Cumulative performance

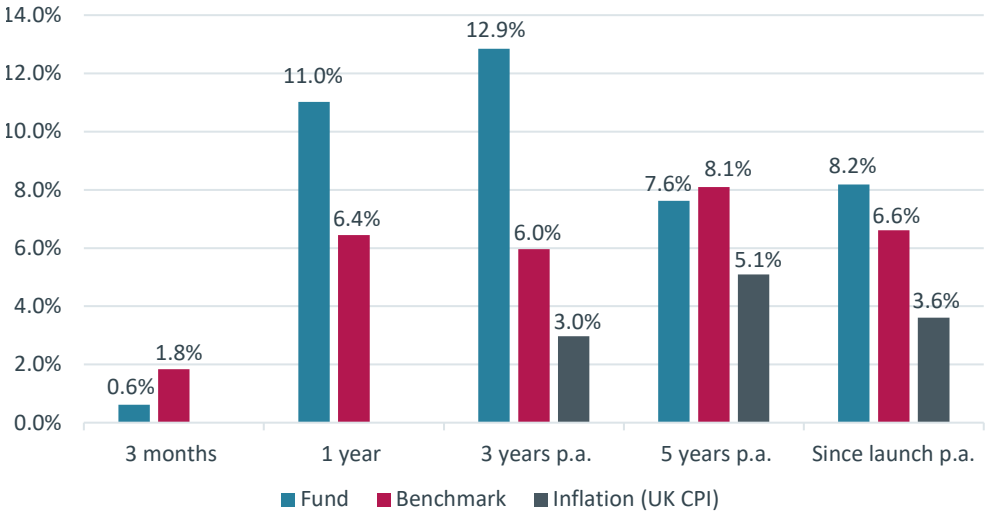
This chart shows the cumulative performance of USS funds against the Consumer Price Index (CPI) over a five year period. CPI is a good indicator of inflation as it measures the change in price of consumer goods and services. Five-year cumulative performance is the increase or decrease of returns as a percentage over the whole period. So, if a fund is performing above the CPI, it means that money saved in it is growing faster than the rise in the cost of living.



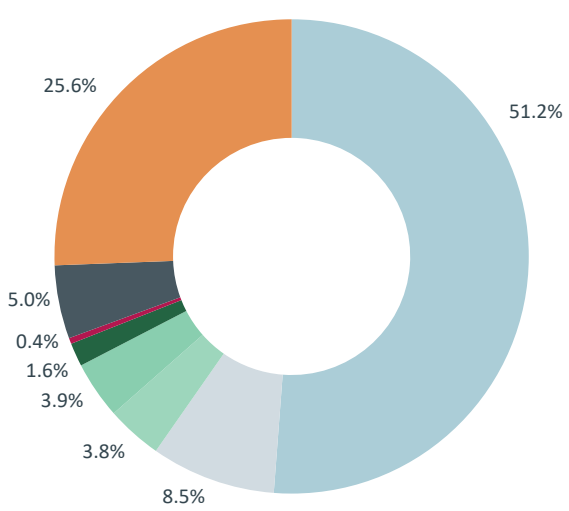
USS Growth Fund

Aim of fund: To produce a CPI+ 3.0% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The Fund is more likely to move up and down in the short term than the USS Moderate Growth Fund, but aims to produce a higher long term return. The Fund uses a mix of active and passive management. The Fund is predominantly exposed to a diversified range of currencies designed to balance the risks of the Fund, with some Sterling exposure.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a small positive return over the three months to 30 September 2026, gains from equities and private market allocations partially offset negative bond returns.
- The Fund remains ahead of its Long-Term Return Target over one and three year periods, with the underperformance over the last five years driven by a period of elevated inflation.

Risk Measures:
Five-year annualised fund volatility: **7.5%**

Fund Facts

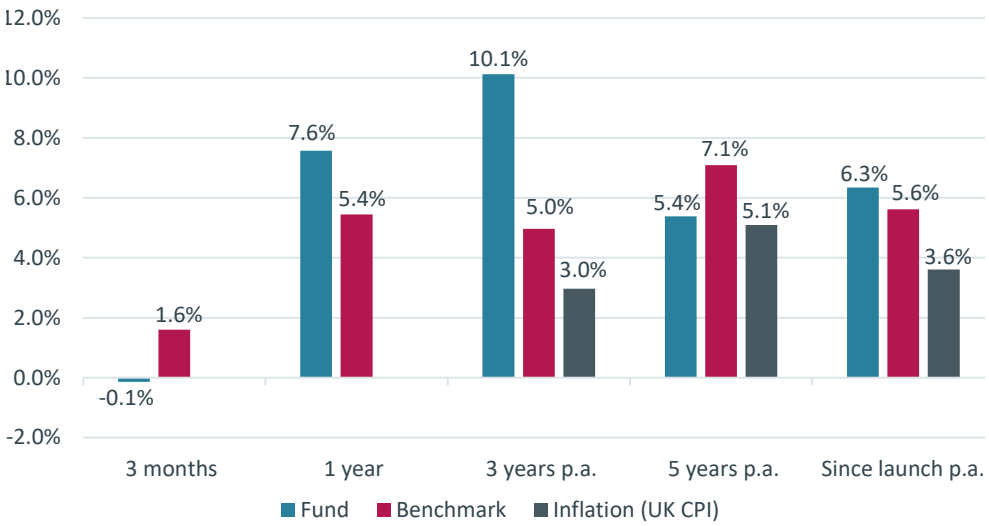
Long Term Return Target	**CPI+ 3.0% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£2,652.1m**
Management style	**Mix**

*The USS Growth funds, which make up part of the Default Lifestyle option, the Do It For Me option, and which members can choose in the Let Me Do It option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

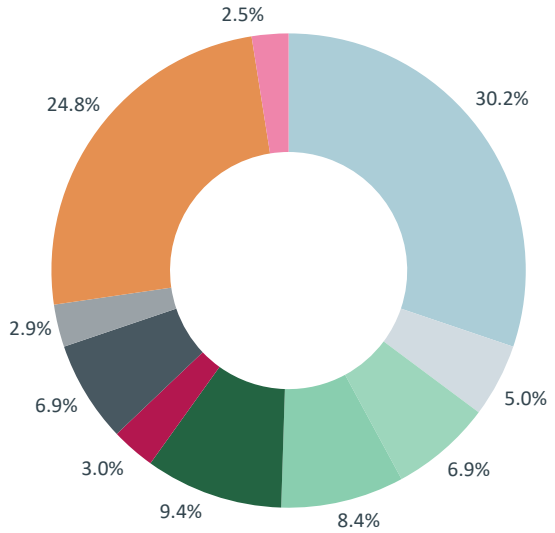
USS Moderate Growth Fund

Aim of fund: To produce a CPI+ 2.0% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The Fund is more likely to move up and down in the short term than the USS Cautious Growth Fund, but aims to produce a higher long term return. The Fund uses a mix of passive and active management. The Fund is exposed to a diversified range of currencies, including Sterling, designed to balance the risks of the Fund.

Fund performance



Asset allocation (%)



- Global Developed Markets Equity
- Emerging Markets Equity
- Emerging Markets Debt
- Global High Yield
- Global Investment Grade Credit
- UK Investment Grade Credit
- Index Linked Bonds
- Nominal Bonds
- Private Markets
- Asset Backed Securities

To see the underlying funds that make up the Moderate Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a marginally negative return over the three months to 30 September 2026, largely due to negative bond returns offsetting equity and private market returns.
- The Fund is ahead of its Long-Term Return Target over one and three year periods, with the underperformance over the last five years driven by a period of elevated inflation.

Risk Measures:
Five-year annualised fund volatility: **6.1%**

Fund Facts

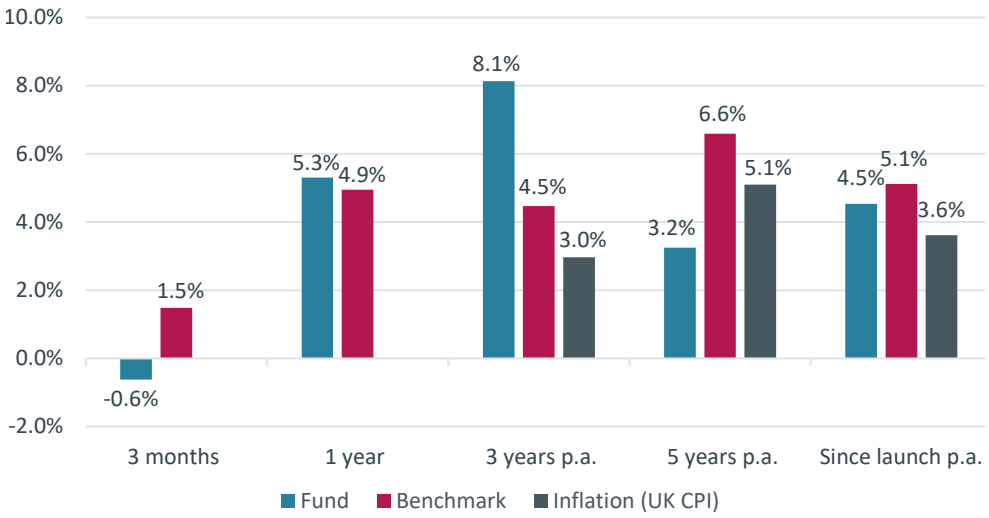
Long Term Return Target	**CPI+ 2.0% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£624.5m**
Management style	**Mix**

*The USS Growth funds, which make up part of the Default Lifestyle option, the Do It For Me option, and which members can choose in the Let Me Do It option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

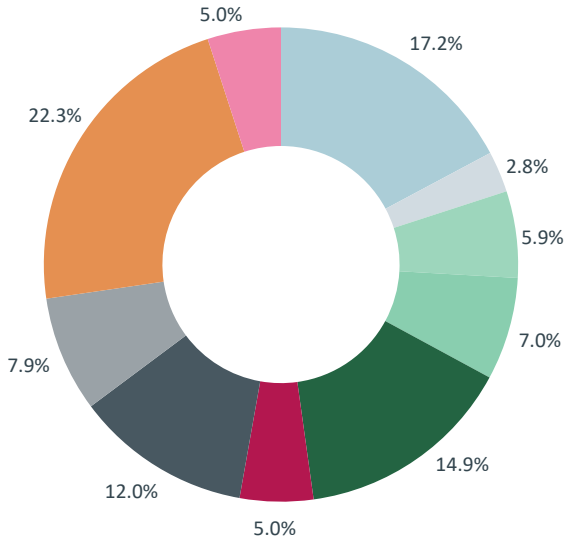
USS Cautious Growth Fund

Aim of fund: To produce a CPI+ 1.5% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The Fund aims to move up and down in the short term less than the USS Moderate Growth Fund, but also aims to produce a lower long term return. The Fund uses a mix of passive and active management. The Fund is predominantly exposed to Sterling, with some currency diversification designed to support the balance of risks of the Fund.

Fund performance



Asset allocation (%)



- Global Developed Markets Equity
- Emerging Markets Equity
- Emerging Markets Debt
- Global High Yield
- Global Investment Grade Credit
- UK Investment Grade Credit
- Index Linked Bonds
- Nominal Bonds
- Private Markets
- Asset Backed Securities

To see the underlying funds that make up the Cautious Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a negative return over the three months to 30 September 2026, as negative bond performance more than offset equity and private market performance. The Fund holds higher allocations to bonds, in line with its more cautious approach.
- The Fund is ahead of its Long-Term Return Target over one and three year periods, with the underperformance over the last five years driven by a period of elevated inflation.

Risk Measures:
Five-year annualised fund volatility: **5.4%**

Fund Facts

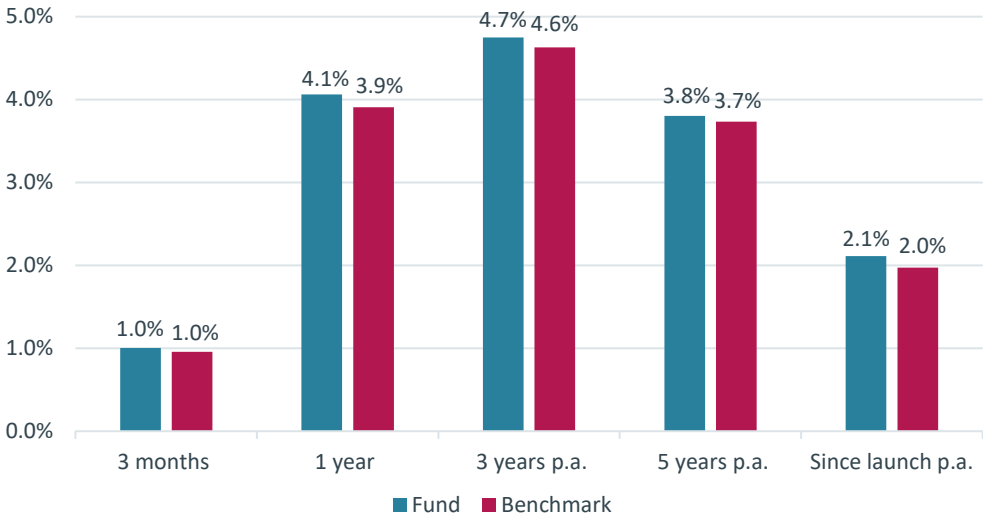
Long Term Return Target	**CPI+ 1.5% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£339.3m**
Management style	**Mix**

*The USS Growth funds, which make up part of the Default Lifestyle option, the Do It For Me option, and which members can choose in the Let Me Do It option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

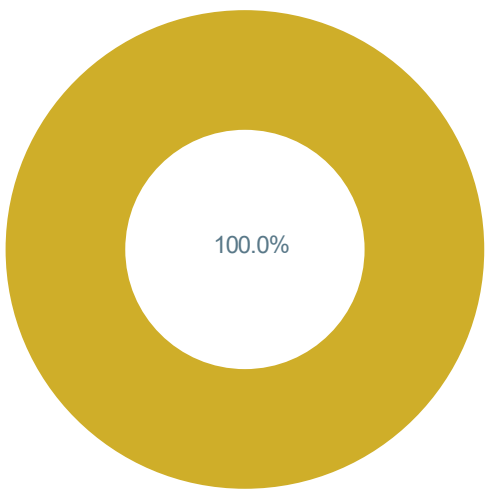
USS Liquidity Fund

Aim of fund: To produce a return in line with the benchmark, which represents short-term Sterling interest rates. The Fund will mainly invest in short-term Sterling money market instruments including deposits, commercial paper and short-term bonds. The money market securities are issued by a number of different entities including governments, banks and companies.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Liquidity Fund, go to underlying fund information.

Performance summary

- The Fund produced a return in line with short term interest rates, as expected. Short term interest rates, which are set by Bank of England's Monetary Policy Committee, were held at 3.75% at both the July and September meetings.

Risk Measures:
Five-year annualised fund volatility: **0.5%**

Fund Facts

Benchmark	**SONIA***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.10%**
Fees (after subsidy)	**0.00%**
Fund Size	**£230.5m**
Management style	**Active**

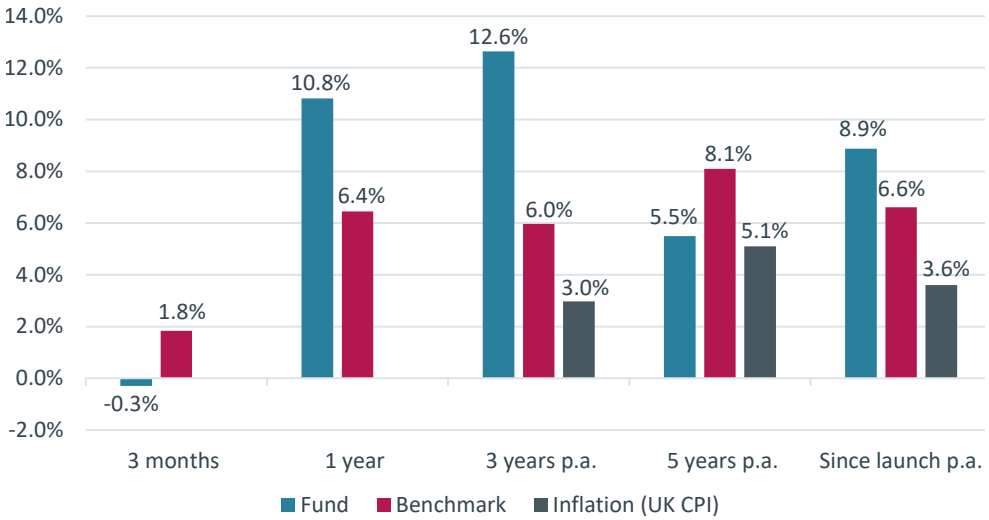
*Benchmark
Since 1 October 2021: Bank of England's SONIA (Sterling Overnight Index Average) interest rate.

Up to 30 September 2021: 7-day GBP London Interbank Bid Rate.

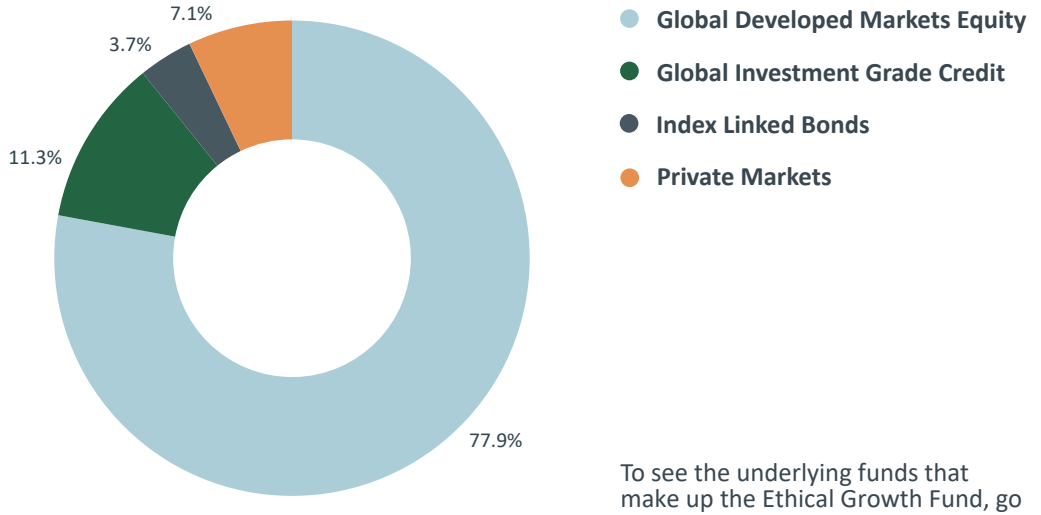
USS Ethical Growth Fund

Aim of fund: To produce a CPI+ 3.0% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The Fund is more likely to move up and down in the short-term than the USS Ethical Moderate Growth Fund but aims to produce a higher long term return. It also aims, so far as is practicable, to invest in investments that meet the USS Ethical Guidelines. The Fund uses a mix of passive and active management. The Fund is predominantly exposed to a diversified range of currencies designed to balance the risks of the Fund, with some Sterling exposure.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Ethical Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a slightly negative return over the three months to 30 September 2026. The ethically screened equity allocation underperformed wider global equity markets and negative bond returns detracted from performance.
- The Fund is ahead of its Long-Term Return Target over one and three year periods, with the underperformance over the last five years driven by a period of elevated inflation.

Risk Measures:
Five-year annualised fund volatility: **10.2%**

Fund Facts

Long Term Return Target	**CPI +3.0% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£167.0m**
Management style	**Mix**

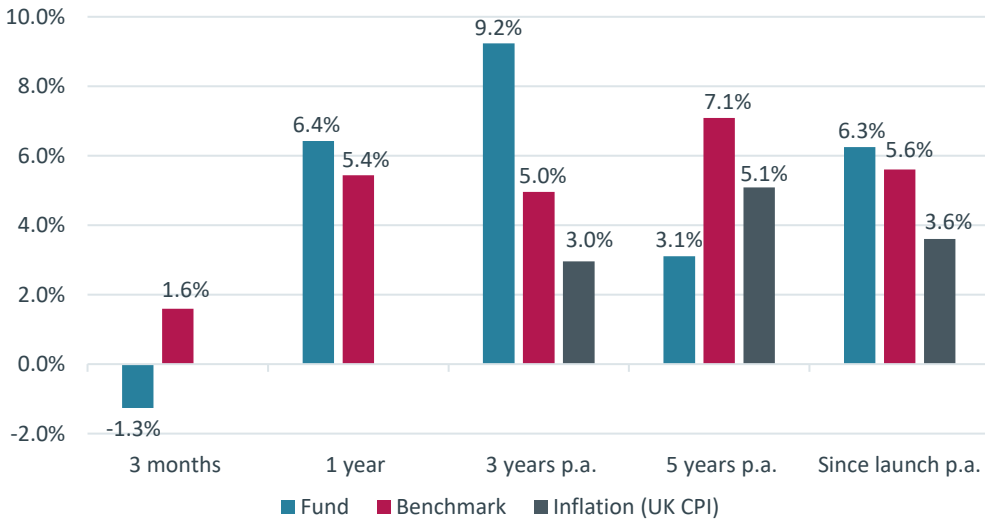
* The USS Ethical Growth funds, which make up part of the Ethical Lifestyle option, the Do It For Me option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

The USS Ethical Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

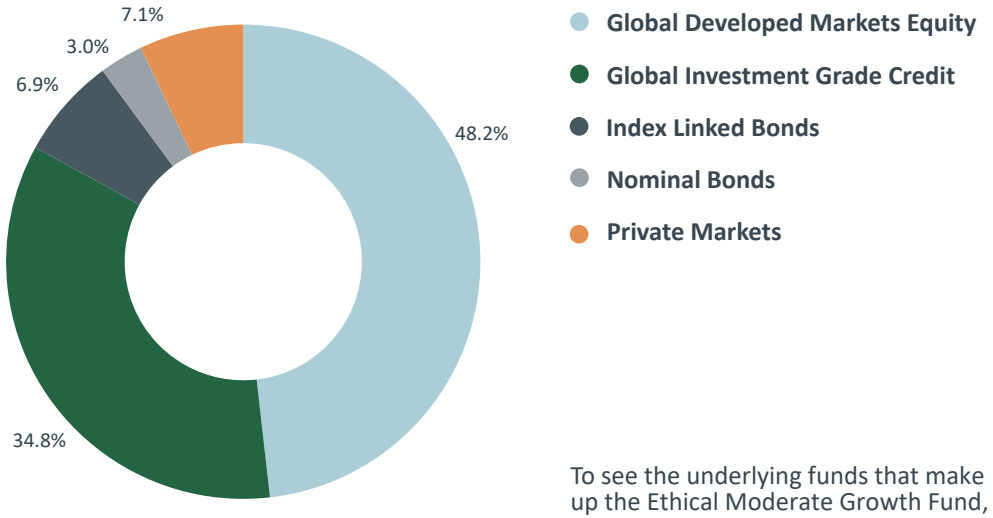
USS Ethical Moderate Growth Fund

Aim of fund: To produce a CPI+ 2.0% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The Fund is more likely to move up and down in the short-term than the USS Ethical Cautious Growth Fund, but aims to produce a higher long-term return. The Fund will aim, so far as is practicable, to invest in investments that meet the USS Ethical Guidelines. The Fund uses a mix of passive and active management. The Fund is exposed to a diversified range of currencies, including Sterling, designed to balance the risks of the Fund.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Ethical Moderate Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a negative return over the three months to 30 September 2026. Negative bond returns were the main detractor from performance.
- The Fund is ahead of its Long-Term Return Target over one and three year periods, with the underperformance over the last five years driven by a period of elevated inflation.

Risk Measures:
Five-year annualised fund volatility: **8.3%**

Fund Facts

Long Term Return Target	**CPI +2.0% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£40.0m**
Management style	**Mix**

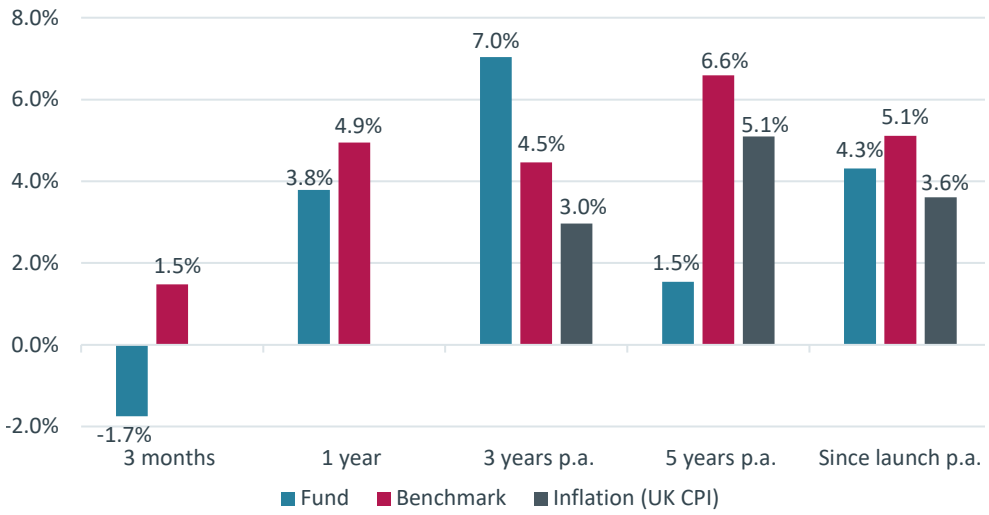
* The USS Ethical Growth funds, which make up part of the Ethical Lifestyle option, the Do It For Me option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

The USS Ethical Moderate Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

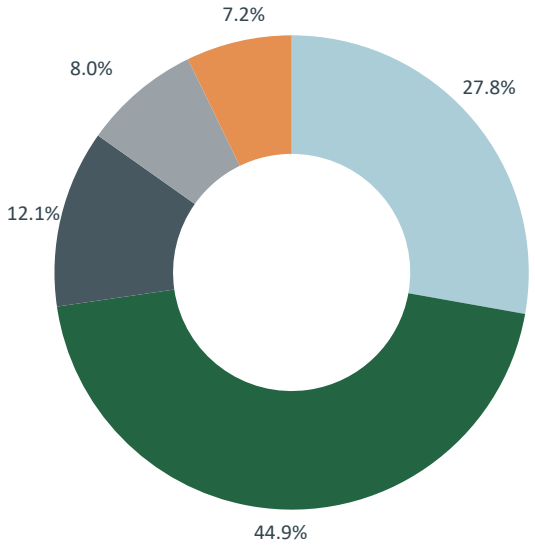
USS Ethical Cautious Growth Fund

Aim of fund: To produce a CPI+ 1.5% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The Fund aims to move up and down in the short-term less than the USS Ethical Moderate Growth Fund. The Fund will aim, so far as is practicable, to invest in investments that meet the USS Ethical Guidelines. The Fund uses a mix of passive and active management. The Fund is predominantly exposed to Sterling, with some currency diversification designed to support the balance of risks of the Fund.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Ethical Cautious Growth Fund, go to underlying fund information.

Performance summary

- The Fund delivered a negative return over the three months to 30 September 2026. Negative bond returns were the main detractor from performance. The Fund holds higher allocations to bonds in line with its more cautious approach.
- Performance has been mixed over longer time periods relative to the Long-Term Return Target, largely driven by the impact of weak bond returns.

Risk Measures:
Five-year annualised fund volatility: **7.0%**

Fund Facts

Long Term Return Target	**CPI +1.5% p.a.***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£21.0m**
Management style	**Mix**

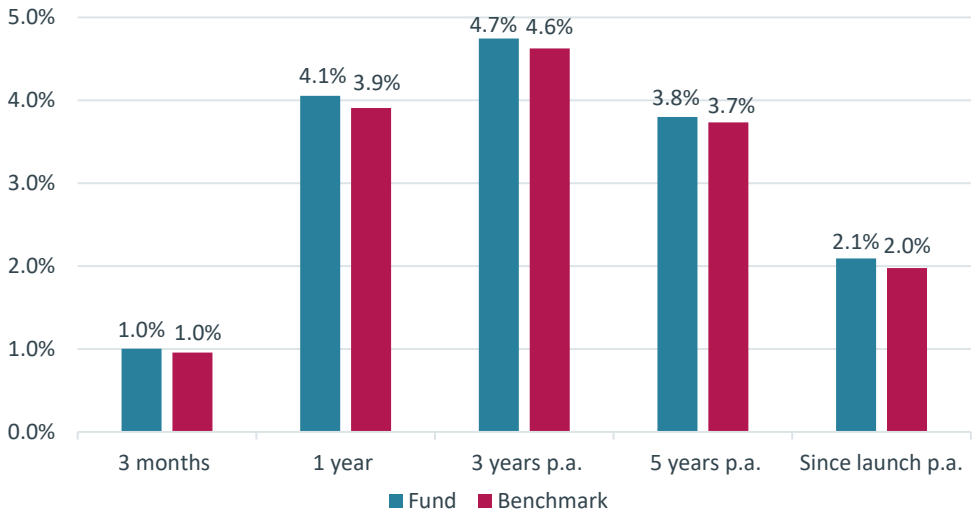
* The USS Ethical Growth funds, which make up part of the Ethical Lifestyle option, the Do It For Me option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. **Find out more on our How we invest page.**

The USS Ethical Cautious Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

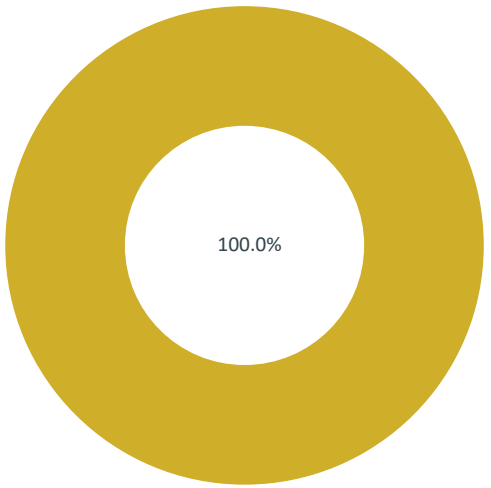
USS Ethical Liquidity Fund

Aim of fund: To produce a return in line with its benchmark, which represents short-term Sterling interest rates. The Fund will mainly invest in short-term Sterling money market instruments including deposits, commercial paper and short-term bonds. The money market securities are issued by a number of different entities including governments, banks and companies. The Fund will aim, so far as is practicable, to invest in investments that meet the USS Ethical Guidelines.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Ethical Liquidity Fund, go to underlying fund information.

Performance summary

- The Fund produced a return in line with short term interest rates, as expected. Short term interest rates, which are set by Bank of England's Monetary Policy Committee, were held at 3.75% at both the July and September meetings.

Risk Measures:
Five-year annualised fund volatility: **0.5%**

Fund Facts

Benchmark	**SONIA***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.10%**
Fees (after subsidy)	**0.00%**
Fund Size	**£10.7m**
Management style	**Active**

*Benchmark
Since 1 October 2021: Bank of England's SONIA (Sterling Overnight Index Average) interest rate.

Up to 30 September 2021: 7-day GBP London Interbank Bid Rate.

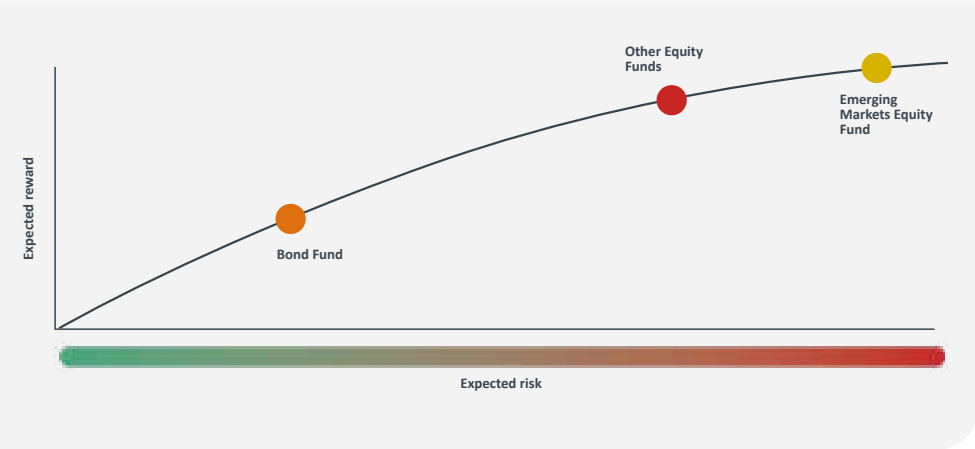
The USS Ethical Liquidity Fund is only available within the Ethical Lifestyle option and is not available as a self-select option.

Performance and risk metrics: Let Me Do It funds

Comparative risk

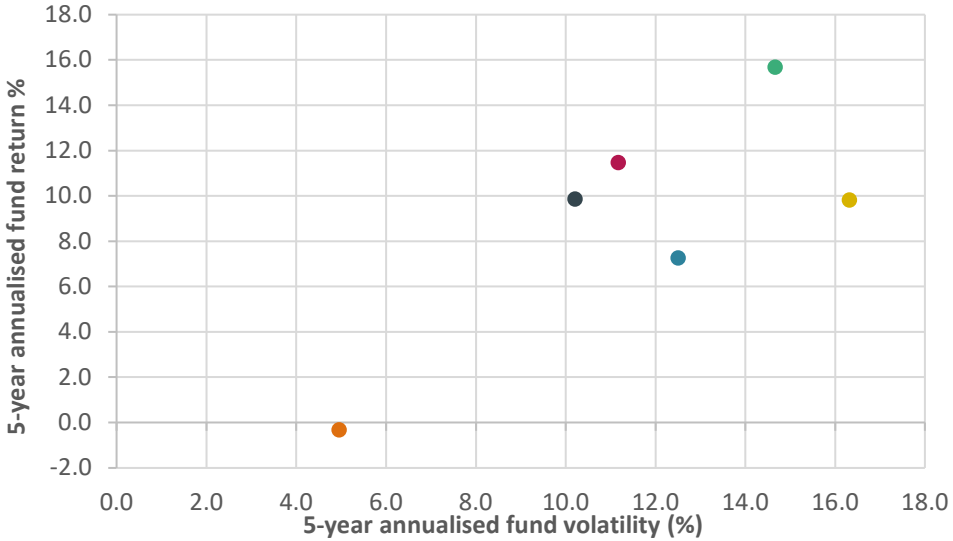
Risk factor

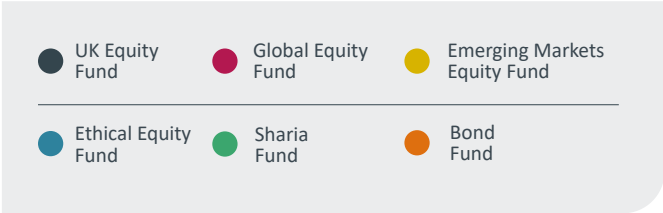
This chart shows how we expect the risk of the Let Me Do It funds to compare over the long term. The risk factors range from Low to High and are shown on a relative basis.



Realised risk and return

This chart shows a comparison of the realised risk and return of the Let Me Do It funds (after subsidy) over a five year period.

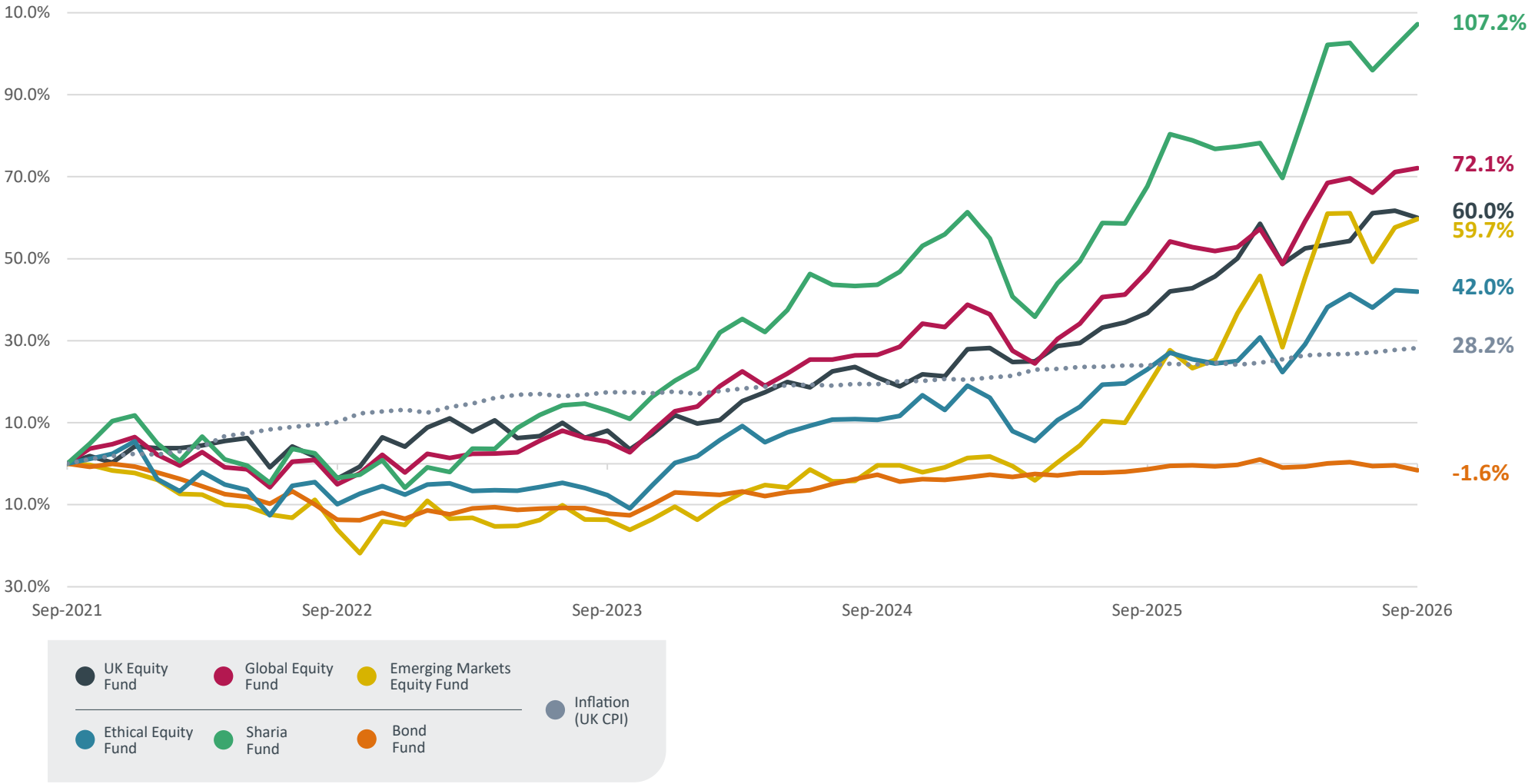




Performance and risk metrics: Let Me Do It funds

Cumulative performance

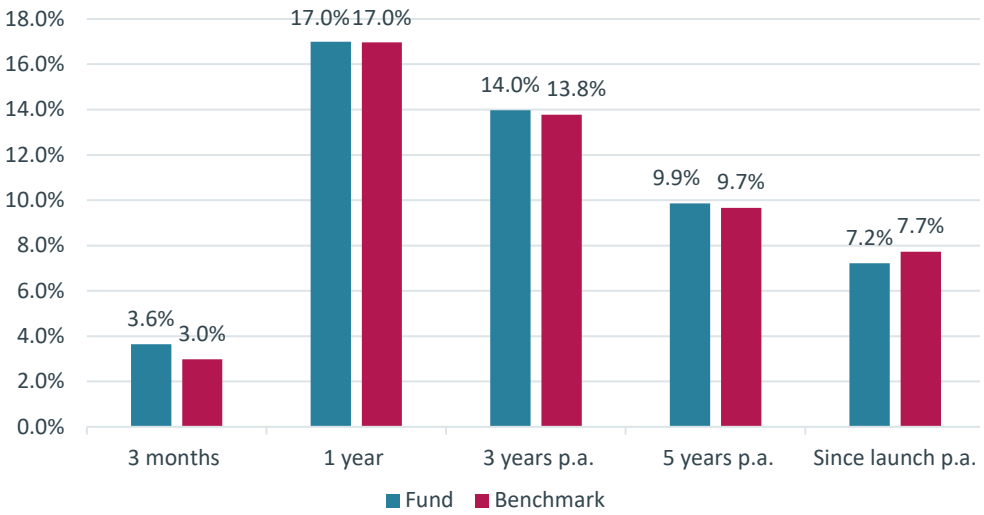
This chart shows the cumulative performance of USS funds against the Consumer Price Index (CPI) over a five year period. CPI is a good indicator of inflation as it measures the change in price of consumer goods and services. Five-year cumulative performance is the increase or decrease of returns as a percentage over the whole period. So, if a fund is performing above the CPI, it means that money saved in it is growing faster than the rise in the cost of living.



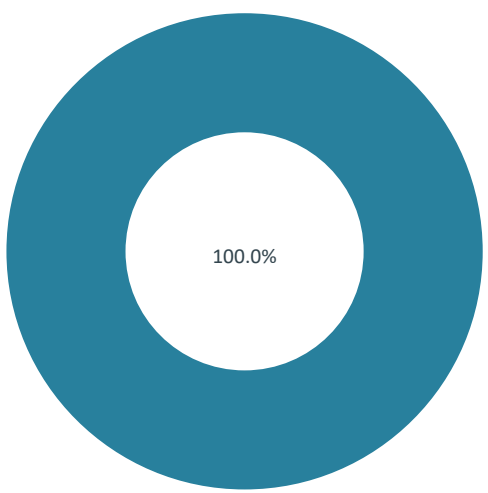
USS UK Equity Fund

Aim of fund: To rise or fall in line with the benchmark, which represents equities in UK companies. The Fund will mainly invest in equities in UK companies. The Fund is passively managed.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the UK Equity Fund, go to underlying fund information.

Performance summary

- The Fund delivered positive absolute returns over the three months to 30 September 2026.
- UK equities delivered positive returns over the quarter, with gains seen across sectors, notably led by exposure to energy stocks.

Risk Measures:
Five-year annualised fund volatility: **10.2%**

Fund Facts

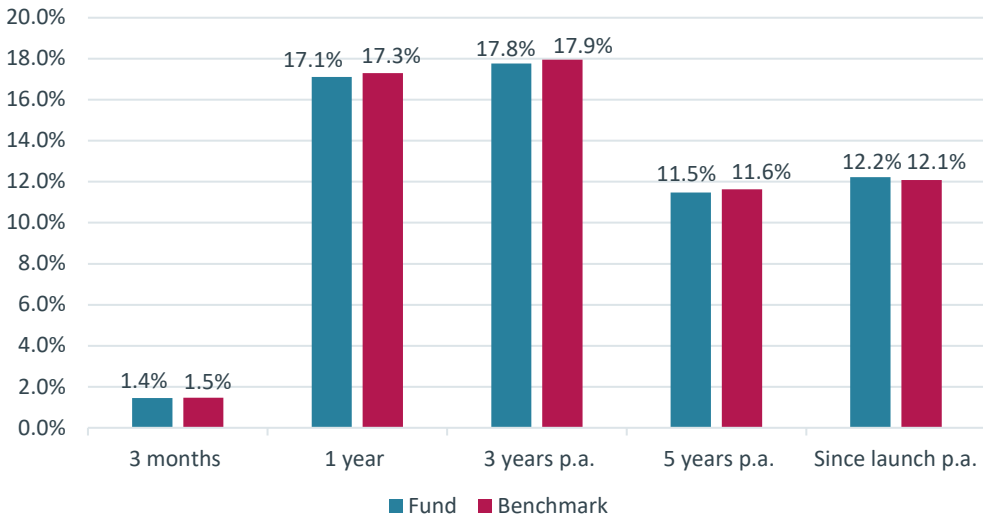
Benchmark	**FTSE Custom All-Share ESG Screened Index***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.10%**
Fees (after subsidy)	**0.00%**
Fund Size	**£51.6m**
Management style	**Passive**

*Before 1 July 2021: FTSE All Share Index.

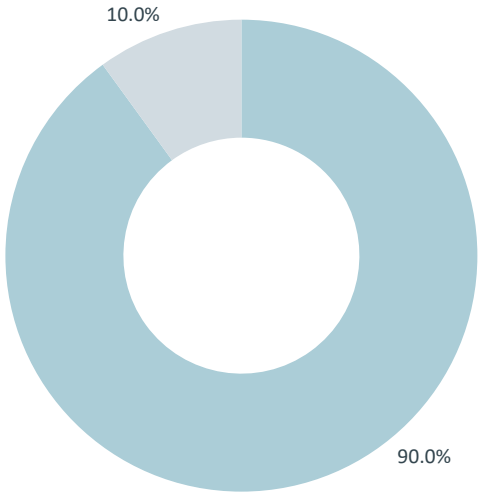
USS Global Equity Fund

Aim of fund: To rise or fall in line with the benchmark, which represents equities in companies across the world. The Fund will mainly invest in shares in companies across the world, including emerging markets. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The Fund is passively managed.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Global Equity Fund, go to underlying fund information.

Performance summary

- The Fund delivered positive absolute returns over the three months to 30 September 2026.
- Global equity markets were modestly positive over the period, supported by resilient corporate earnings and continued investment in AI, although leadership shifted towards energy and financial stocks as oil prices rose.

Risk Measures:
Five-year annualised fund volatility: **11.2%**

Fund Facts

Benchmark	**Composite***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.10%**
Fees (after subsidy)	**0.00%**
Fund Size	**£274.3m**
Management style	**Passive**

*Composite Benchmark
Since 11 November 2024: Solactive USS Developed Markets Climate Tilted Index (90.0%), MSCI Emerging Markets Index (10.0%).

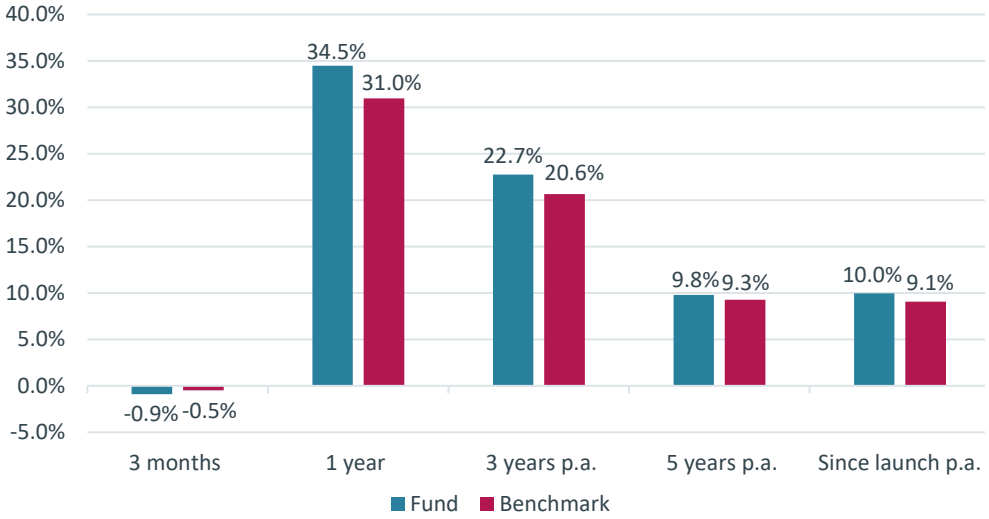
From 1 April 2022 to 11 November 2024: Solactive USS Developed Markets Climate Transition Benchmark (92.00%), MSCI Emerging Markets Index (8.00%)

Up to 31 March 2022: MSCI World Index (92.0%), MSCI Emerging Markets Index (8.0%).

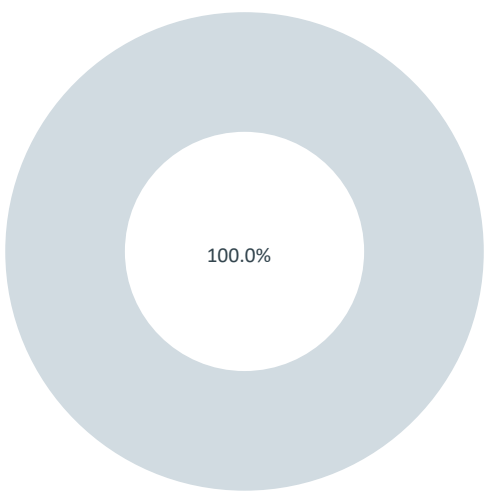
USS Emerging Markets Equity Fund

Aim of fund: To produce a return better than the benchmark, which represents equities in companies in emerging markets. The Fund will mainly invest in equities in companies in emerging markets, or that have exposure to emerging markets as a result of generating some of their revenue there. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The Fund uses a mix of passive and active management.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Emerging Markets Equity Fund, go to underlying fund information.

Performance summary

- The Fund delivered negative absolute returns over the three months to 30 September 2026 and was behind its benchmark. The fund remains ahead of benchmark over longer periods.
- Emerging market equities underperformed developed markets over the quarter. After strong gains earlier in the year, some AI related semiconductor and memory chip stocks sold off in July, weighing on markets such as South Korea in particular. Higher oil prices and rising interest rates were headwinds for emerging market economies.

Risk Measures:
Five-year annualised fund volatility: **16.3%**

Fund Facts

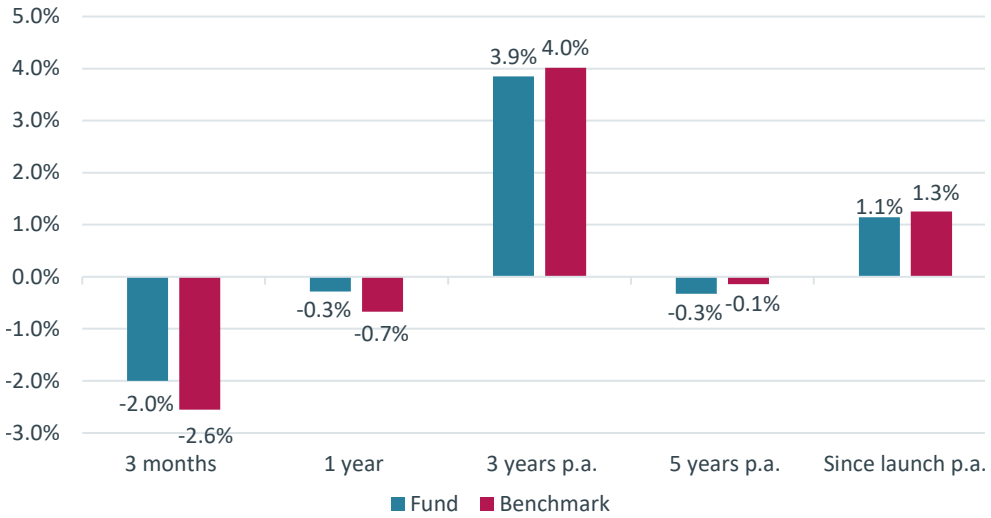
Benchmark	**MSCI Emerging Markets Index***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£58.3m**
Management style	**Mix**

*Some of the component parts of the benchmark are lagged by one day, meaning they are measured from one day prior to the start and end dates of the period in question to match the dates at which the respective underlying funds are valued.

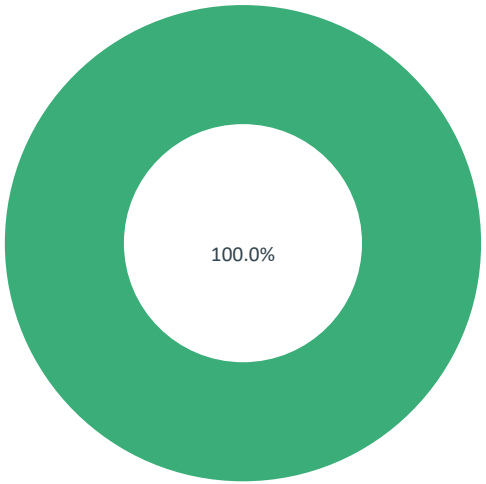
USS Bond Fund

Aim of fund: To produce a return better than the benchmark, which represents a mix of different kinds of bonds. The Fund will mainly invest in bonds issued by governments and companies from across the world. The Fund is currency hedged, which means its returns are not exposed to movements in the value of Sterling relative to other currencies. The Fund is actively managed.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Bond Fund, go to underlying fund information.

Performance summary

- The Fund was ahead of its benchmark but delivered negative absolute returns over the three months to 30 September 2026.
- Bond markets were negative across the period, with both government and corporate bonds falling in value as yields rose.

Risk Measures:
Five-year annualised fund volatility: **5.0%**

Fund Facts

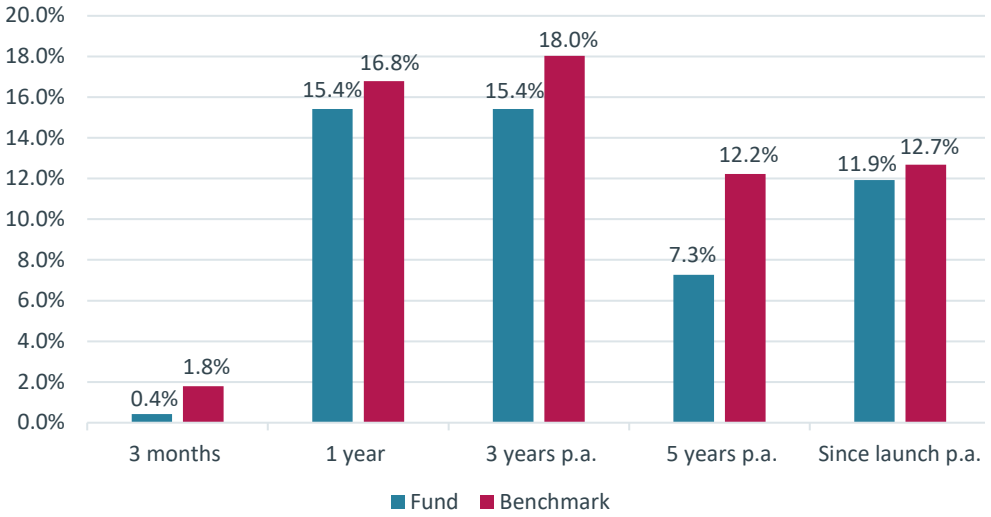
Benchmark	**Composite***
Launch date	**3 October 2016**
Fees (before subsidy)	**0.20%**
Fees (after subsidy)	**0.00%**
Fund Size	**£25.3m**
Management style	**Active**

*Composite Benchmark Since 1 October 2020: Bloomberg Global Aggregate Bond Index (fully currency hedged) (100.0%) Up to 30 September 2020: Markit iBoxx GBP Corps All Maturities (25.0%), Barclays Global Aggregate Corporate ex GBP Index (25.0%), FTA Government UK Index Linked Index (25.0%), FTSE Gilts All Stocks Index (25.0%)

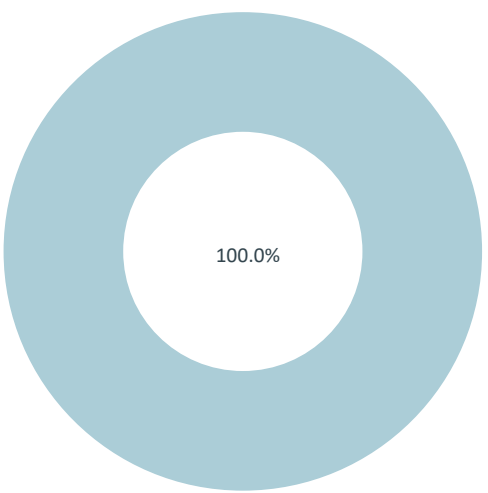
USS Ethical Equity Fund

Aim of fund: To produce a better return than the benchmark over the long term, which represents equities in companies across the world. The Fund will aim, so far as is practicable, to invest in shares in companies that meet the USS Ethical Guidelines, which may result in return deviations when compared to the Fund's broad market benchmark. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The Fund uses a mix of passive and active management.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Ethical Equity Fund, go to underlying fund value.

Performance summary

- The Fund delivered positive absolute returns but underperformed broader global equity due to the Fund's exclusion criteria in particular energy stocks, which performed strongly as oil prices rose.
- The active manager (Impax) was removed earlier in 2026, the search for a suitable replacement is ongoing.
- The Fund invests in accordance with the USS Ethical Guidelines.

Risk Measures:
Five-year annualised fund volatility: **12.5%**

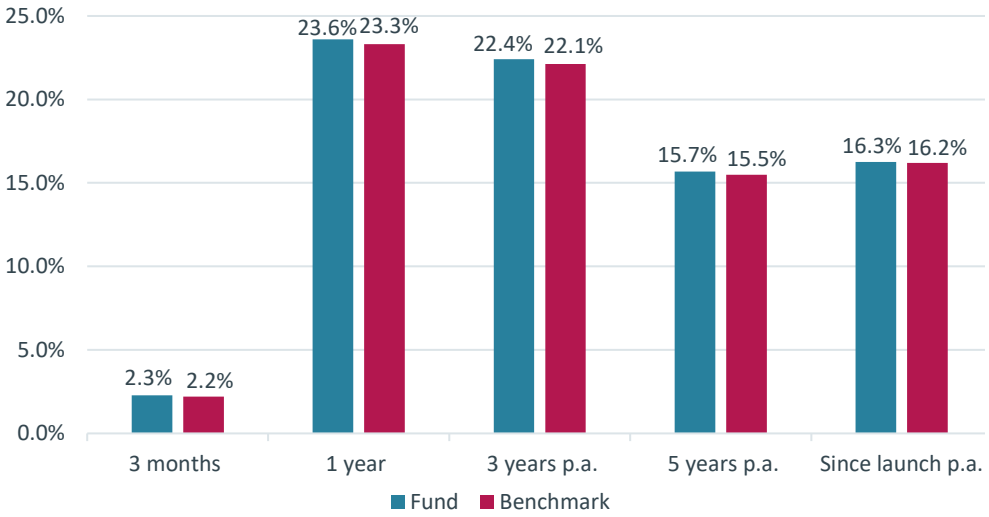
Fund Facts

Benchmark	**MSCI World Index**
Launch date	**3 October 2016**
Fees (before subsidy)	**0.30%**
Fees (after subsidy)	**0.00%**
Fund Size	**£115.2m**
Management style	**Mix**

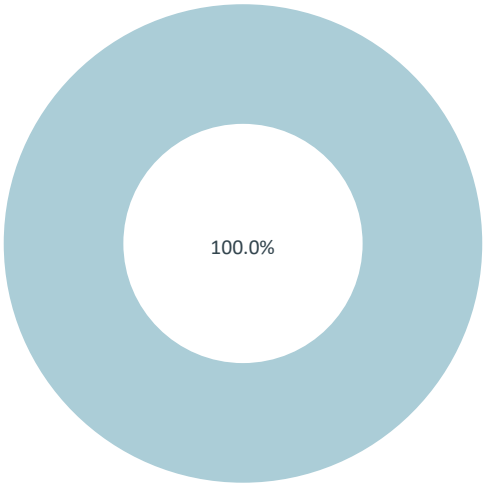
USS Sharia Fund

Aim of fund: To rise or fall in line with the benchmark, which represents shares which meet Islamic investment principles. The Fund will invest in equities which meet Islamic investment principles. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The Fund is passively managed.

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Sharia Fund, go to underlying fund value.

Performance summary

- The Fund delivered positive returns over the quarter. Performance was driven mainly by its exposure to US technology stocks, which continued to benefit from investment in AI. Energy and healthcare stocks also contributed.
- The Fund is a global passive index fund investing in equities compliant with Islamic investment principles, so it will tend to hold fewer shares in financial companies (like banks) and more in other sectors, such as technology, when compared to the global equity market.

Risk Measures:
Five-year annualised fund volatility: **14.7%**

Fund Facts

Benchmark	**S&P Global 1200 Shariah Select Index***
Launch date	**3 October 2016**
Fees (before subsidy)**	**0.20%**
Fees (after subsidy)	**0.00%**
Fund Size	**£121.3m**
Management style	**Passive**

*Before 23 March 2026: DJ Islamic Market Titans Index.

**The fees (before subsidy) reduced from 0.30% to 0.20% on 1 March 2026.

Underlying fund information

The table below shows the underlying funds that make up the funds in the Investment Builder and the International Securities Identification Numbers (ISINs) of the underlying pooled funds.

Fund name	Asset class	Fund(s) used in*														ISIN/Link to fund information
		USS Growth	USS Moderate Growth	USS Cautious Growth	USS Liquidity	USS Ethical Growth	USS Ethical Moderate Growth	USS Ethical Cautious Growth	USS Ethical Liquidity	USS Bond	USS Emerging Markets Equity	USS UK Equity	USS Global Equity	USS Ethical Equity	USS Sharia	
Blackrock Aquila Connect UK Equity	UK Equity											100%				GB00B00C3Z19
LGIM Climate Tilted Global Developed Markets Equity	Global Developed Markets Equity	44%	26%	15%									90%			n/a*
LGIM Ethical Climate Aware Equity	Global Developed Markets Equity					78%	48%	28%						100%		n/a*
HSBC Islamic Global Equity Index Fund	Global Developed Markets Equity														100%	IE000FBTQ920
Baillie Gifford Developing Growth Equity	Global Developed Markets Equity	3%	2%	1%												n/a*
Artisan Developing Growth Equity	Global Developed Markets Equity	3%	2%	1%												n/a*
Blackrock Aquila Connect Emerging Markets	Emerging Markets Equity										52%		10%			GB00B658GJ14
Baillie Gifford Emerging Markets Growth	Emerging Markets Equity										24%					GB0006057060
USSIM Global Emerging Markets	Emerging Markets Equity	9%	5%	3%							24%					n/a*
HSBC UK Corporate Bond	UK Investment Grade Credit	0%	3%	5%												n/a*
T. Rowe Price Ethically Screened Global Corporate Bonds	Global Investment Grade Credit					11%	35%	45%								n/a*
HSBC Global Investment Grade Credit	Global Investment Grade Credit	2%	9%	15%												n/a*
Bluebay Global High Yield Bond	Global High Yield	4%	8%	7%												n/a*
Wellington Opportunistic Emerging Markets Debt Fund	Emerging Market Bonds	2%	3%	3%												IE00BMFZWD04
Wellington Emerging Local Debt Fund	Emerging Market Bonds	2%	3%	3%												IE00BMFZWF28
TwentyFour Monument Bond Fund	Asset-backed Securities		3%	5%												GB00BDD9NJ41
LGIM All Stocks Gilts Index Fund	Nominal Bonds	0%	1%	4%		0%	1%	4%								Fund information
LGIM Overseas Bond Index Fund (Hedged)	Nominal Bonds	0%	1%	4%		0%	1%	4%								Fund information
LGIM Global Inflation-Linked Bond Index Fund (Hedged)	Index Linked Bonds	3%	3%	6%		2%	3%	6%								Fund information
LGIM Under 5 Year Index Linked Gilts Index Fund	Index Linked Bonds	0%	2%	6%		0%	2%	6%								Fund information
LGIM Over 5 Year Index Linked Gilts Index Fund	Index Linked Bonds	2%	2%	0%		1%	2%	0%								Fund information
Robeco QI Global Multi-Factor Bonds	Global Bonds									100%						LU2207421996
PMG UK Property	Private Markets	4%	4%	4%		5%	5%	5%								n/a*
PMG Core Infrastructure	Private Markets	6%	5%	3%												n/a*
PMG Secure Credit (Short Duration)	Private Markets		5%	7%												n/a*
PMG Opportunistic Infrastructure	Private Markets	4%	3%	2%												n/a*
PMG Inflation Linked Credit	Private Markets	1%	1%	1%												n/a*
PMG Secure Credit (Long Duration)	Private Markets	1%	0%	1%												n/a*
PMG Long Income Property	Private Markets	1%	1%	1%												n/a*
PMG Renewables and Natural Capital	Private Markets	2%	1%	1%		2%	2%	2%								n/a*
PMG Co Investment Alternative Income	Private Markets	2%	2%	2%												n/a*
PMG Co Investment Private Equity	Private Markets	5%	2%													n/a*
LGIM Sterling Liquidity	Liquidity	0%	0%	0%	100%	0%	0%	0%	99%							Fund information
BlackRock ICS Government Sterling Liquidity	Liquidity					0%	0%	0%	1%							IE00B40L6351
		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

As at 30 September 2026 and subject to change at any time. Figures may not sum to 100% due to rounding.
*Some underlying funds in the Investment Builder are not collective pooled funds, which means they do not have an ISIN.

Important information

Performance shown is after any subsidy, within the relevant USS Fund.

Past performance is not a guide to future performance and so should not be relied upon by members when making investment decisions. The value of investments may go down as well as up and the return of your investments is not guaranteed.

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Fees may be changed at any time by the Trustee and members should check the latest version of this report and the USS website for the current fees and any proposed changes to them. Information about the Investment Builder default investment strategy and the costs and transaction charges for the Investment Builder funds can also be found in the 'Chair's defined contribution statement' in the Governance section of the USS Report and Accounts, available on our website. Part or all of the charges are currently covered by a subsidy paid by employers. This subsidy is expected to remain in place for a number of years. Members who transfer other pension savings in to USS do not benefit from the employer subsidy on that portion of their pension savings.

Our investment glossary is designed to help you better understand the world of investing. Find out what different terms used throughout this report mean: **uss.co.uk/how-we-invest/investment-glossary**