

Fairstone Responsible Passive 5

Investment Aim

The Portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This portfolio is managed to maximise risk adjusted returns within a target volatility range of 8.3-11.8% over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, Fairstone place this portfolio as 5.

The Portfolio is likely to be predominantly invested in fixed income and equities.

Investment Growth



Cumulative Performance				Calendar Year Returns						
	1 Year	3 Years	5 Years		YTD	2024	2023	2022	2021	2020
Fairstone Responsible Passive 5	5.08%	—	—	Fairstone Responsible Passive 5	0.52	7.00	8.42	—	—	—
IA Mixed Investment 20-60% Shares	5.27%	10.67%	21.53%	IA Mixed Investment 20-60% Shares	1.80	6.18	6.86	-9.67	6.31	3.49

Portfolio Overview

Portfolio Manager

Investment Universe

Yield

Portfolio Start Date

Ongoing Fund Costs

DFM Fee

Total Portfolio Charge

Imogen Hambly

Open Ended Funds

1.16%

01/07/2022

0.18%

0.20%

0.38%

Investment Style Map

Risk Scale

5

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 8.3% and 11.8% over a rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

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Portfolio Managers Market Commentary



Portfolio Manager

Imogen Hambly

Through May, global equity markets rebounded strongly, buoyed by easing trade tensions and improving consumer sentiment. Developed market stocks outperformed their emerging market counterparts, led by gains from U.S. markets, and from the U.S. technology sector in particular, with the Nasdaq index gaining 8.1%, in GBP.

U.S. trade negotiations continued between the White House and other key global governments, with significant progress made between the U.S. and the E.U., while a mid-month trade truce between the U.S. and China helped fuel gains across risk assets.

While trade tariffs remain the focal point of President Trump's economic agenda, early sightings of his budget reconciliation bill point to new tax and regulatory changes that will help boost the U.S. domestic business landscape – a development that proved positive for small cap stocks through the month.

Elsewhere, both European and U.K. equities posted gains, with upward earnings revisions helping underpin confidence in the European equity market. Within the U.K., GDP data surprised to the upside, while announcements of trade deals with India and the U.S. further added to optimism. However, inflation in the region remains stubbornly high, and fears are mounting over government borrowing levels.

Across bond markets, the picture was more challenging, as concerns over fiscal deficits in both the U.S. and U.K. pushed up long-dated yields, weighing heavily on government bond prices. Improving trade tensions helped buoy returns from credit markets, with the global high yield index benefitting from a brighter growth outlook and eking out a gain of 1.6%, however, broad weakness in government bonds led the global aggregate index to close the month down 0.5%.

Commodity markets also struggled. Gold was especially weak through the period, falling 0.9%, as investors capitalised on falling recessionary fears by shifting capital way from defensive assets. Other alternative asset classes, notably property and infrastructure, benefitted from the improving appetite, posting gains.

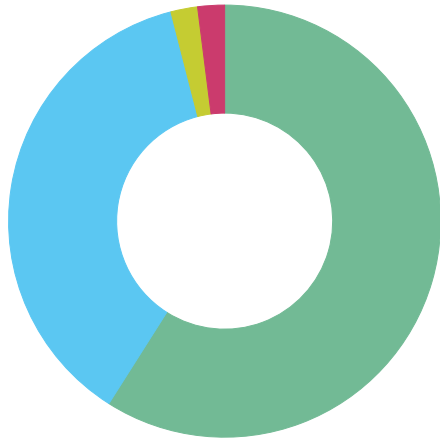
Looking ahead, unpredictable trade policies, ongoing inflationary pressures, and divergent fiscal responses are expected to sustain market volatility. Investors are advised to focus on diversification across geographies and asset classes while maintaining flexibility to adapt to evolving conditions.

Against this backdrop the portfolios gained, with clean energy and U.S. stocks driving growth. Having had a trickier month through April, our U.S. equity allocations rebounded strongly, with the *Amundi MSCI USA SRI Climate Paris Aligned* fund gaining 5.9%, while the U.S. heavy *Vanguard ESG Screened Developed World All Cap Equity Index* added 5.1%. In both cases, ESG related tilts benefitted. However, it was our holding in the *L&G Clean Energy UCITS ETF* that was the standout performer, gaining 9.8%, in what was its best month in well over a year. Elsewhere, returns from our other equity strategies were generally positive, albeit our underweight to the U.S. detracted from portfolio performance as a whole. Fixed income allocations provided mixed returns, with exposure to green bonds and short duration credit outperforming. Overall, our tilt towards corporate bonds over government bonds added value. Within alternatives, our holding in the *WisdomTree Core Physical Gold* pared back some of its recent gains, falling 1.7%. We do however still believe there is value to be had from retaining the exposure.

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Asset Allocation

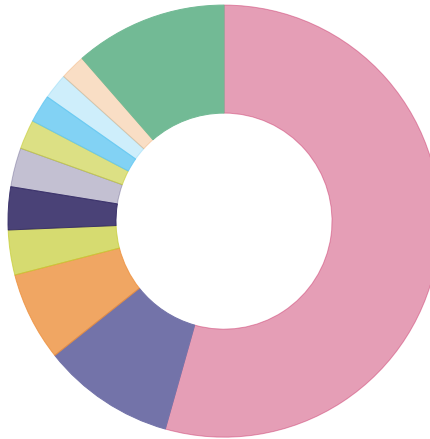
Portfolio Date: 24/04/2025



Equities	59.0
Fixed Income	37.0
Alternatives	2.0
Cash	2.0
Total	100.0

Equity Breakdown

Portfolio Date: 31/05/2025



United States	54.4
United Kingdom	9.9
Japan	6.7
Switzerland	3.4
Australia	3.2
China	2.9
Taiwan	2.2
France	2.1
India	1.9
Netherlands	1.9
Other	11.4
Total	100.0

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Equities	—	59.00
Amundi MSCI EurSRIClmtPrsAlgd IG C	European Equity	5.00
Amundi MSCI Jpn SRI ClmtPrsAlgd IG C	Japanese Equity	2.80
Amundi MSCI Pac Ex Jpn SRIClmtPrsAlgdIG	Asia Pacific Equity	2.80
Amundi MSCI UK IMI SRI Clmt PrsAlgdIGGBP	UK Equity	5.00
Amundi MSCI USASRIClmtParisAligned-IG(C)	US Equity	19.60
L&G Clean Energy ETF USD Acc	Global Equity	1.50
L&G Clean Water ETF	Global Equity	1.50
L&G Healthcare Tech & Innovt ETF USD Acc	Global Equity	1.20
Vanguard ESG Em Mkts AllCpEqldxInsPI£Acc	Emerging Markets Equity	5.60
Vanguard ESGScrDevWldAllCpEqldxInsPIAcc	Global Equity	14.00
Fixed Income	—	37.00
Amundi Global Corp Bd 1-5Y ESG ETF DRH£C	Global Fixed Income	8.00
iShares \$ TIPS 0-5 ETF GBP H Dist	Global Fixed Income	2.50
iShares Green Bd Idx (IE) D Acc GBP H	Global Fixed Income	8.00
iShares UK Gilts 0-5yr ETF GBP Dist	UK Gilts	2.50
UBS Sust Devpmt Bk Bds ETF hGBP dis	Global Fixed Income	4.80
Vanguard ESG Glb Corp Bd Idx Ins PI£HAcc	Global Fixed Income	8.00
Vanguard U.S. Govt Bd Idx Ins PI £ H Acc	Global Fixed Income	1.60
Vanguard UK Govt Bd Idx Ins PI £ Acc	UK Gilts	1.60
Alternatives	—	2.00
WisdomTree Core Physical Gold	Commodities	2.00
Cash	—	2.00
BlackRock ICS Stlg LiqEnvtyAwrr Prem Acc	Cash & Money Market	1.75
CASH	Cash & Money Market	0.25

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Target Market

Access to the portfolios is only available to investors on the recommendation of a financial adviser and it is the role of the adviser to determine the appropriateness and suitability of the portfolio to each investor's own personal needs, objectives and preferences.

Type of investors: Given the nature of non-complex UCITS funds the service is suitable for retail investors, professional clients and eligible counterparties. The service is predominantly designed for the use of retail investors.

Investors' knowledge and experience: Investors with basic, informed or advanced knowledge and experience of capital markets and investment risks and of funds and their characteristics.

Clients' financial situation with a focus on the ability to bear losses: Investors have a tolerance to fluctuations in capital invested and potential capital loss.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market: Due to the volatility of the markets in which the service may invest e.g. equity, bond and property markets the service has a risk and reward profile that is compatible with clients who have a risk tolerance aligned to the Investment Aim of the portfolio. Investors should be willing to accept price fluctuations in exchange for the opportunity of possible higher returns.

Clients' objectives and needs: Depending on the duration of the investment the portfolio may be suitable for clients who have a medium-term investment horizon (at least 5 years).

Clients who should not invest (the 'negative-target market'): This portfolio is deemed incompatible for clients who require full capital protection and/or are seeking on-demand full repayment of the amounts invested or who are fully risk averse/have no risk tolerance.

Important Notices

This factsheet is for illustrative purposes only. Investments linked to this model portfolio may not exactly replicate the model portfolio described due to differences in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits or fund availability on the platform or provider.

Please note that platform and financial advice fees are not included.

Where we have provided commentary on specific companies, this commentary is not investment research as defined by the Financial Conduct Authority and has not been prepared in accordance with legal requirements designed to promote the independence of research

Nothing in this document should be deemed to constitute the provision of financial, investment or other profession advice. Responsibility for assessing the suitability of financial products remains solely with the financial adviser.

The information in this document was prepared on the date shown below and is believed to be correct but cannot be guaranteed. The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

Fairstone Private Wealth does not offer tax advice; the tax treatment of investments depends on each investor's individual circumstances and is subject to changes in tax legislation.

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