

# Fairstone Responsible Active 3

## 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.

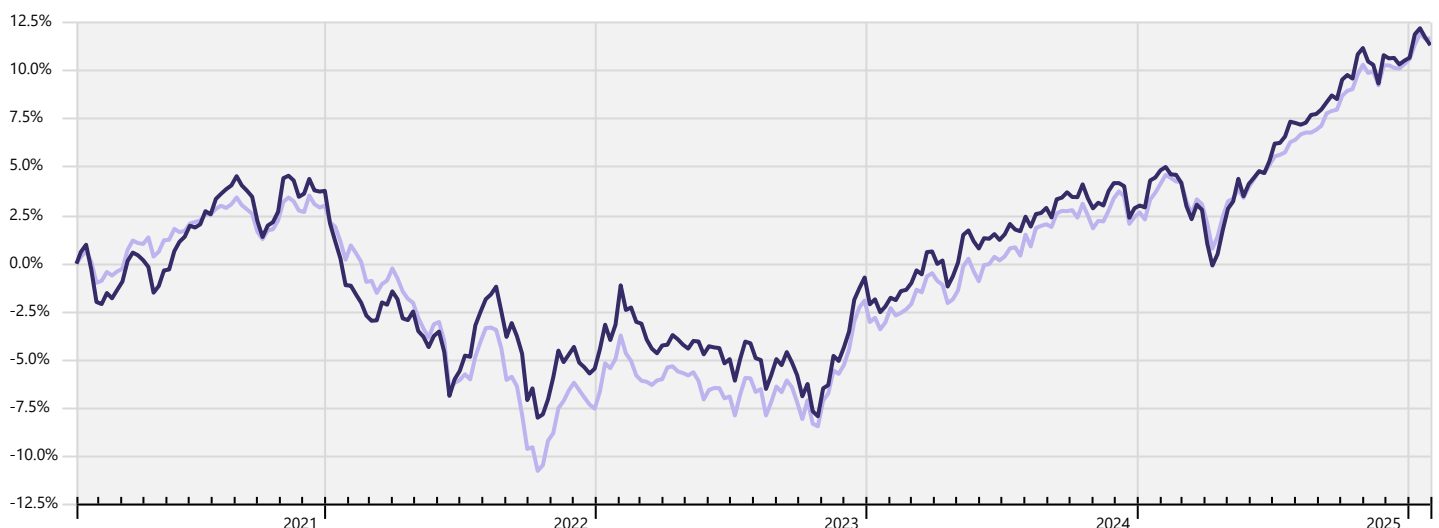
This Portfolio is managed to maximise risk adjusted returns within a target volatility range of 4.7-8.3% over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, Fairstone place this portfolio as 3.

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

## Investment Growth

Time Period: 01/02/2021 to 31/01/2026



— Fairstone Responsible Active 3

11.3% — IA Mixed Investment 0-35% Shares

11.7%

### Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Responsible Active 3	6.18%	15.04%	11.33%
IA Mixed Investment 0-35% Shares	7.24%	17.67%	11.68%

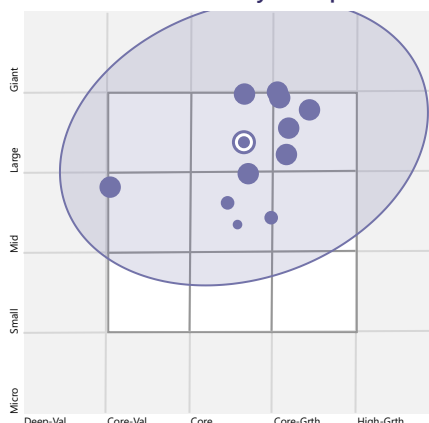
### Calendar Year Returns

	YTD	2025	2024	2023	2022	2021
Fairstone Responsible Active 3	0.57	7.77	3.45	4.99	-8.88	3.46
IA Mixed Investment 0-35% Shares	0.99	8.02	4.37	6.06	-10.22	2.57

## Portfolio Overview

Portfolio Manager	Imogen Hambly
Investment Universe	Open Ended Funds
Yield	1.20%
Portfolio Start Date	01/07/2020
Ongoing Fund Costs	0.55%
DFM Fee	0.30%
Total Portfolio Charge	0.85%

## Investment Style Map



## Risk Scale

# 3

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 4.7% and 8.3% 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

Global markets began 2026 on a constructive footing, with January delivering positive returns across most major asset classes despite an ongoing backdrop of macroeconomic, political, and geopolitical uncertainty. Rather than a simple risk-on or risk-off environment, market outcomes were defined by pronounced rotation across regions, styles, currencies, and asset classes, alongside a continued broadening of market leadership beyond the narrow concentration that characterised much of the past two years.

Global equities advanced meaningfully, with the MSCI All Country World Index rising 1.03% in sterling terms. Performance was led by Asia and emerging markets, supported by improving macroeconomic indicators, easing financial conditions, and resilient earnings sentiment. Emerging market equities across Latin America and Asia performed particularly strongly, aided by US dollar weakness, favourable duration dynamics, and renewed investor appetite for higher-beta exposures. Korea and Brazil stood out at a country level, with Brazil also benefiting from rising commodity prices. In China, property developer shares rallied following reports that authorities had effectively dismantled the “three red lines” borrowing constraints, a symbolic but positive signal after a prolonged period of policy tightening.

Developed market performance was more mixed. In the United States, January extended the style rotation that had intermittently emerged during 2025. Value-oriented and cyclical sectors outperformed, while growth and AI-linked stocks lagged. Both the Nasdaq and the S&P 500 edged lower, underperforming small-cap equities and many international markets. The “Magnificent Seven” trailed the broader index, reflecting growing investor sensitivity to valuation, earnings quality, and capital intensity. Heightened earnings-related volatility, most notably in large technology names, reinforced a more selective market environment.

European and UK equities delivered modest but steady gains. Easing inflation, early signs of economic stabilisation, supportive fiscal measures – particularly in Germany – and improved policy visibility underpinned confidence across the region. UK markets benefited from similar dynamics, alongside moderating inflation and gradual real wage growth.

Bond markets added an important dimension to January’s narrative. Long-dated government bonds underperformed, particularly in Japan, where yield curves steepened on inflation and fiscal concerns. European government bonds outperformed US Treasuries, supported by policy clarity and easing inflation. Corporate credit was the standout performer, with global corporate bonds outperforming sovereigns as spreads tightened modestly amid contained default expectations.

Commodities also played a notable role, with energy prices surprising to the upside. Brent crude rose sharply, supporting energy equities and commodity-linked regions while reinforcing sensitivity at the long end of bond yield curves.

Overall, January highlighted a more diversified and rotational market environment, with opportunities increasingly spread across regions, styles, and asset classes rather than concentrated in a narrow group of large technology stocks. Against this backdrop, portfolio returns were modest after a strong start, as sustainability-related tilts – particularly within US equities – weighed on performance. Within global equities, the Schroder Global Sustainable Value Equity fund paused after recent strong gains, finishing flat, while the Vontobel Global Environmental Change fund rose 3.6%, supported by its underweight to the US and its exposure to the clean energy theme. Regionally, weakness from US growth stocks detracted, with the Brown Advisory US Sustainable Growth fund falling 6.5%, partly offset by gains from the Janus Henderson US Sustainable Equity fund (+1.7%). Emerging markets were a key positive, led by the UBAM Positive Impact Emerging Equity fund (+6.7%). Thematic allocations performed well, with Schroder Global Alternative Energy up 5.6% and Regnan Sustainable Water and Waste gaining 3.7%. Fixed income was broadly positive, driven by credit and short-duration strategies, while alternatives added modestly, with Schroder Global Cities up 1.7% and Troy Trojan Ethical gaining 0.5%. Top of Form

## Fund In Focus

### Templeton Global Climate Change

This global equity strategy from Franklin Templeton offers a unique approach to investing in the climate change theme. With a clear exclusionary framework in place, the focus of the fund is on finding companies that provide solutions to mitigate and adapt to climate change, as well as those that are actively adapting their business models to be more resilient in the face of climate change and resource depletion.

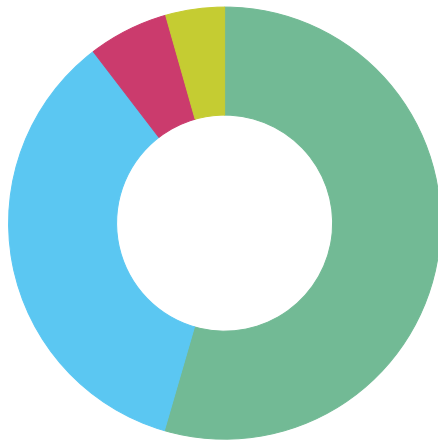
What makes this solution particularly interesting is its overweight position in peer leading companies within the materials sector – a segment of the market that is essential to the energy transition, but often overlooked by sustainable equity funds.

By tackling the more difficult parts of the market in a way that is credible, transparent, and remains true to their sustainability targets, the team at Franklin Templeton have been able to create a strategy that sits apart from peers, in a market that often lacks genuine diversification. Going forward, the Fairstone Environmental portfolios will undoubtedly benefit from having exposure to this fund and the market leading companies that it holds.

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## Asset Allocation

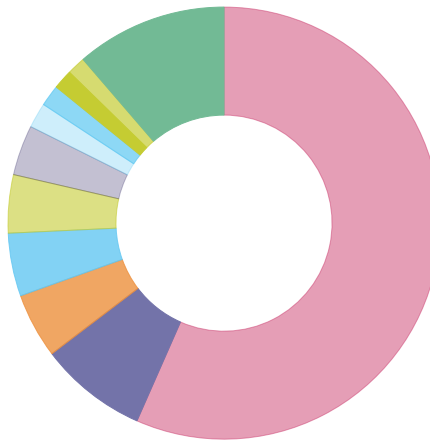
Portfolio Date: 23/01/2026



	%
Fixed Income	54.5
Equities	35.1
Cash	6.0
Alternatives	4.4
<b>Total</b>	<b>100.0</b>

## Equity Breakdown

Portfolio Date: 31/01/2026



	%
United States	56.6
United Kingdom	8.1
Japan	4.9
France	4.7
Taiwan	4.4
China	3.8
India	1.9
Germany	1.6
South Korea	1.5
Switzerland	1.4
Other	11.3
<b>Total</b>	<b>100.0</b>

## Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
<b>Fixed Income</b>	—	<b>54.50</b>
AXA Green Short Dur Bond ZI Acc GBP Qt	Global Fixed Income	6.60
Liontrust Sust Fut Corp Bd 6 Grs Acc	Global Fixed Income	10.60
PIMCO GIS Climate Bond Instl GBP H Acc	Global Fixed Income	11.90
Vanguard UK Govt Bd Idx Ins Pl £ Acc	UK Gilts	5.30
Vanguard UK S/T Gilt Idx Ins Pl GBP Acc	UK Gilts	1.60
Vontobel TwentyFour Sust S/T Bd Inc NG £	Global Fixed Income	6.60
Wellington Gbl Impact Bond GBP N AcH	Global Fixed Income	11.90
<b>Equities</b>	—	<b>35.10</b>
Brown Advisory US Sust Gr GBP B Acc	US Equity	5.60
Federated Hermes Sus Gl Eq X GBP Acc	Global Equity	4.00
Janus Henderson US Sustainable Eq S Acc	US Equity	5.60
M&G Positive Impact Sterling L GBP Acc	Global Equity	4.00
Regnan Sustainable Water and Waste IGBP	Global Equity	1.00
Schroder Global Alt Energy L GBP Acc	Global Equity	1.00
Schroder Global Sust Val Eq Z Cap	Global Equity	6.60
UBAM Positive Impact Em Eq YC GBP Acc	Emerging Markets Equity	3.30
Vontobel Global Envir Change N GBP	Global Equity	4.00
<b>Cash</b>	—	<b>6.00</b>
BlackRock ICS Stlg LiqEnvtyAwr Prem Acc	Cash & Money Market	5.75
CASH	Cash & Money Market	0.25
<b>Alternatives</b>	—	<b>4.40</b>
Schroder Global Cities Real Estt L £ Acc	Property	1.20
Trojan Ethical X Acc	Lower Risk Alternatives	3.20

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## Target Market

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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

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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

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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.

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