

Fairstone Responsible Active 7

Investment Aim

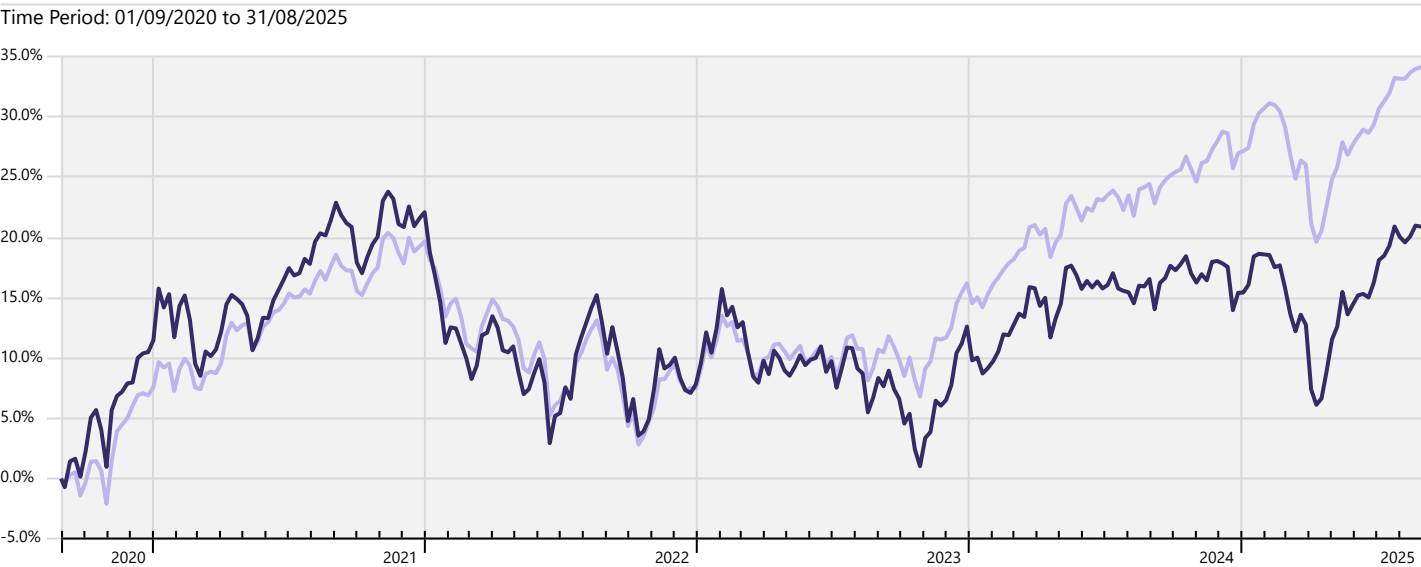
The Portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This portfolio is managed to maximise risk adjusted returns within a target volatility range of 11.8-15.4% 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 7.

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

Investment Growth



Fairstone Responsible Active 7				20.9% — IA Mixed Investment 40-85% Shares							34.1%
Cumulative Performance				Calendar Year Returns							
	1 Year	3 Years	5 Years		YTD	2024	2023	2022	2021	2020	
Fairstone Responsible Active 7	3.73%	8.33%	20.90%	Fairstone Responsible Active 7	5.37	1.89	4.46	-11.71	9.52	—	
IA Mixed Investment 40-85% Shares	7.78%	21.74%	34.11%	IA Mixed Investment 40-85% Shares	6.00	8.88	8.10	-10.18	11.22	5.50	

Portfolio Overview

Portfolio Manager: Imogen Hambly

Investment Universe: Open Ended Funds

Yield: 0.93%

Portfolio Start Date: 01/07/2020

Ongoing Fund Costs: 0.67%

DFM Fee: 0.30%

Total Portfolio Charge: 0.97%

Investment Style Map

Risk Scale

7

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 11.8% and 15.4% 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 Manager**

Imogen Hambly

## Portfolio Managers Market Commentary

Global markets exhibited a sense of cautious but renewed optimism through August. Equities in most regions delivered gains in local currency terms, supported by signs of resilient economic activity and a softer tone from central banks. However, for sterling-based investors, returns were tempered by currency moves, as GBP strength against the U.S. dollar, among other currencies, eroding translated equity performance.

Japan was the standout among developed market equity regions, with the MSCI Japan Index gaining 4.8% in sterling. Improving economic momentum, underpinned by encouraging second-quarter GDP growth and stronger machinery orders, combined with a positive trade agreement with the United States to bolster sentiment. European equities posted more modest returns, with the MSCI Europe ex-UK Index up 1.3%. Political turbulence in France, where the announcement of a vote of no confidence unsettled markets, weighed on performance, though improving business activity offered reassurance that growth is stabilising.

In the UK, the FTSE 100 rose 0.6%, supported by its global exposure, while the more domestically focused FTSE 250 fell as concerns over the UK economy persisted. The Bank of England cut interest rates by 25 basis points, but stronger-than-expected inflation data tempered the effect, with policymakers stressing that inflation risks remain.

Across U.S. markets, the S&P 500 declined 0.2% in GBP terms. However, in local currency terms, returns were positive, supported by robust earnings and solid momentum across sectors, with weakness in the dollar dragging on translated performance.

Similarly, Asian and emerging markets equities advanced in local terms, with relief coming from an extension of the U.S. - China trade truce, while Chinese technology stocks gained on Beijing's new semiconductor strategy. Again, it was strength in sterling that eroded gains across both regions.

Fixed income markets delivered mixed results. Global corporate bonds generally outperformed their sovereign counterparts, with credit spreads tightening as healthy earnings boosted confidence in balance sheets. U.S. Treasuries were volatile: early weakness on deficit concerns gave way to recovery after dovish remarks from Federal Reserve Chair Jerome Powell at Jackson Hole, which also pressured the dollar lower.

Looking ahead, familiar themes continue to shape markets: the pace of central bank easing, the trajectory of inflation, and the resilience of global growth. Diversification across regions and asset classes remains key, with opportunities in equities, selective credit, and risk-aware real assets.

Against this backdrop, Portfolio returns were mixed through August, with lower risk portfolios outperforming their higher risk counterparts. Sustainability linked tilts detracted from returns across a number of regions, most notably the U.S., as growth stocks underperformed. Exposure to value stocks, via the *Schroder Global Sustainable Value Equity* fund proved beneficial, with the strategy gaining 3.2%. Returns from other global equity funds ranged from 0.3% to -1.5%. Elsewhere, our overweight to Asian and emerging market equities benefitted.

Within fixed income, performance was more variable. Allocations to full-duration UK gilts declined, reflecting rising long-term yields, while the *PIMCO Climate Bond* fund gained 1.0%, benefitting from the outperformance of corporate bonds over sovereigns. Our tilt towards short duration bonds continued to add value.

## 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.

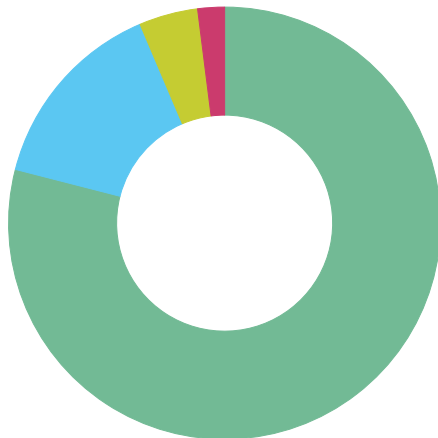
What makes this solution particularly interesting is its overweight position in peer leading companies within the materials sector – a segment of the market that is essential to the energy transition, but often overlooked by sustainable equity funds.

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

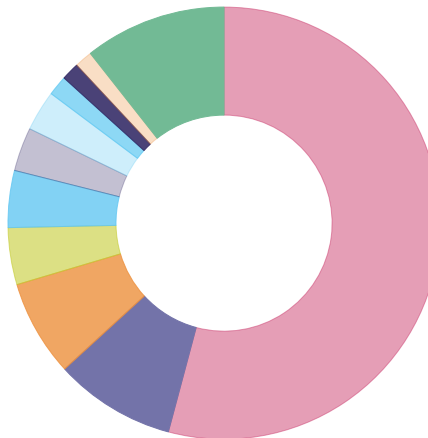
Portfolio Date: 25/07/2025



	%
Equities	79.0
Fixed Income	14.6
Alternatives	4.4
Cash	2.0
<b>Total</b>	<b>100.0</b>

## Equity Breakdown

Portfolio Date: 31/08/2025



	%
United States	54.2
United Kingdom	9.1
Japan	7.2
Taiwan	4.3
France	4.3
China	3.3
India	3.0
Germany	1.5
Australia	1.3
Netherlands	1.3
Other	10.6
<b>Total</b>	<b>100.0</b>

## Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
<b>Equities</b>	—	<b>79.00</b>
Brown Advisory US Sust Gr GBP B Acc	US Equity	11.20
Federated Hermes Sus Gl Eq X GBP Acc	Global Equity	10.00
HC Cadira Sustainable Japan Eq GBP F Acc	Japanese Equity	1.50
Impax Asian Envir Mkts (IE) GBP X Acc	Asia Pacific Equity	3.10
Janus Henderson UK Responsible Inc I Acc	UK Equity	1.50
Janus Henderson US Sustainable Eq S Acc	US Equity	11.20
M&G Positive Impact Sterling L GBP Acc	Global Equity	10.00
Regnan Sustainable Water and Waste AGBP	Global Equity	1.00
Schroder Global Alt Energy L GBP Acc	Global Equity	1.00
Schroder Global Sust Val Eq Z Cap	Global Equity	12.30
Stewart Inv Asia Pac All Cap B GBP Acc	Asia Pacific Equity	3.10
UBAM Positive Impact Em Eq YC GBP Acc	Emerging Markets Equity	3.10
Vontobel Global Envir Change N GBP	Global Equity	10.00
<b>Fixed Income</b>	—	<b>14.60</b>
AXA Green Short Dur Bond ZI Acc GBP Qt	Global Fixed Income	1.95
Liontrust Sust Fut Corp Bd 6 Grs Acc	Global Fixed Income	2.60
PIMCO GIS Climate Bond Instl GBP H Acc	Global Fixed Income	2.60
Vanguard UK Govt Bd Idx Ins Pl £ Acc	UK Gilts	1.30
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	1.95
Wellington Gbl Impact Bond GBP N AcH	Global Fixed Income	2.60
<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
<b>Cash</b>	—	<b>2.00</b>
BlackRock ICS Stlg LiqEnvtyAwr Prem Acc	Cash & Money Market	1.75
CASH	Cash & Money Market	0.25

# Fairstone Responsible Active 7

## 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

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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