Vanguard

Fairstone

Fairstone Passive Model Portfolio 7 Powered by Vanguard

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% and 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, we place this portfolio as 7.

Investment Growth

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

Fairstone Passive Model Portfolio 7 Powered by Vanguard	43.6%
IA Mixed Investment 40-85% Shares	33.8%

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Passive Model Portfolio 7 Powered by Vanguard	13.31%	33.39%	43.62%
IA Mixed Investment 40-85% Shares	9.78%	29.09%	33.77%

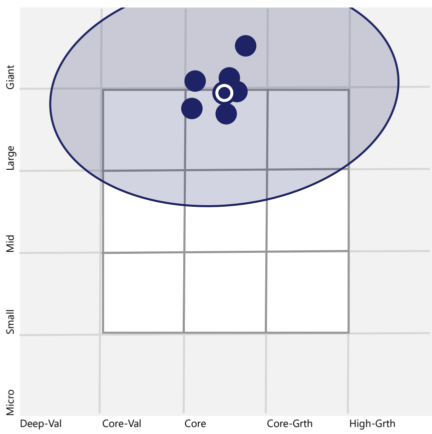
Calendar Year Returns

	YTD	2025	2024	2023	2022	2021
Fairstone Passive Model Portfolio 7 Powered by Vanguard	2.02	15.27	8.40	9.31	-7.76	11.25
IA Mixed Investment 40-85% Shares	1.62	11.62	8.88	8.10	-10.18	11.22

Portfolio Overview

Portfolio Manager	Vanguard
Investment Universe	Open Ended Funds
Yield	2.47%
Portfolio Start Date	20/05/2019
Ongoing Fund Costs	0.08%
DFM Fee	0.20%
Total Portfolio Charge	0.28%

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.
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Investment Adviser's Market Commentary

Investment Adviser

Vanguard

Global economic activity strengthened in Q4, supported by easing trade tensions, reduced economic uncertainty and a surge in US AI-related investment. Inflation remained elevated in major economies, notably the US and UK. Central bank policy diverged, as the European Central Bank (ECB) held rates steady, while the US Federal Reserve (Fed) and Bank of England (BoE) both continued to cut.
In the UK, the Autumn Budget dominated headlines, but market
fears of fiscal tightening proved overdone. The economy grew 0.1% in Q3 (quarter-on-quarter), down from 0.3% in Q2, as a weakening labour market indicated slower economic growth. Unemployment rose to 5.1% in October. Inflation surprised to the downside, with November's Consumer Price Index (CPI) at 3.2% versus a market consensus of 3.4%. This allowed the BoE to cut interest rates by 25 basis points (0.25 percentage points) to 3.75% in December.
Euro area economic g
rowth accelerated modestly, with Q3 GDP up 0.3% quarter-on-quarter. France drove most of this growth despite increasing political uncertainty, while German growth disappointed, as fiscal stimulus has yet to boost growth. Inflation in the euro area hovered near the ECB's 2% target, with November's CPI at 2.1%. The ECB kept its policy rate unchanged at 2.0%, citing steady growth and benign inflation.
A US
government shutdown delayed key data releases, but AI-driven investment continued to fuel growth. Q3 economic growth surged 4.3% (annualised), up from 3.8% in Q2. The Fed cut rates at its October and December meetings amid labour market weakness, leaving the federal funds target range at 3.50–3.75% by year-end. Inflation trends were mixed, as core Personal Consumption Expenditures (PCE), which excludes volatile items like food and energy, eased from 2.9% in July to 2.8% in September, while headline PCE edged up from 2.6% to 2.8%.

Vanguard Capital Markets Model

The Vanguard Capital Markets Model Team researches, develops, and maintains a suite of powerful analytical models and tools. At the heart of them is the Vanguard Capital Markets Model (VCMM), a proprietary financial simulation engine that simulates returns for a wide range of asset classes.

The VCMM is designed to enable clients to make asset allocation decisions as well as help build portfolio solutions.

The team uses the VCMM to create dynamic, time-varying portfolios that change their asset allocations in response to the model's forecasts. These time-varying portfolios are designed to target a specific return, target a risk range or seek to maximise returns.

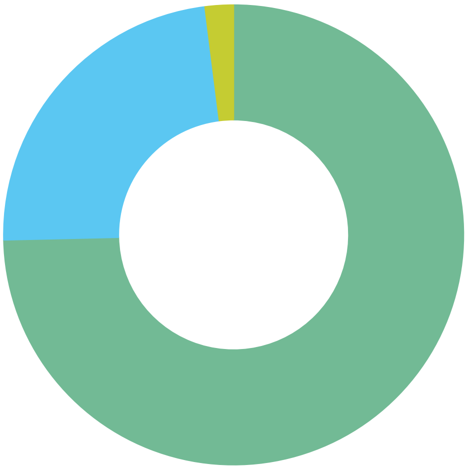
Vanguard has extensive experience in building portfolio solutions. For more than ten years, Vanguard has used these analytical models to construct portfolios for its Institutional Advisory Services group, which manages in excess of USD 40bn in AUM, as of 31 December 2018.

Source: Vanguard

Fairstone Passive Model Portfolio 7 Powered by Vanguard

Asset Allocation

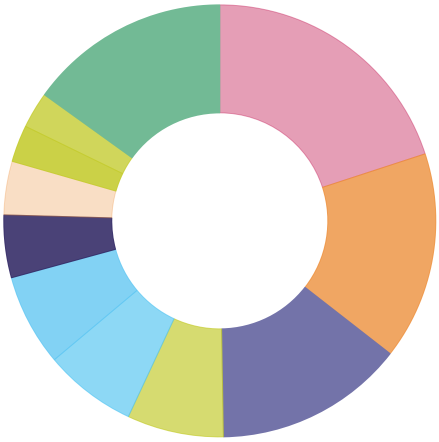
Portfolio Date: 12/11/2025



	%
Equities	74.6
Fixed Income	23.4
Cash	2.0
Total	**100.0**

Equity Breakdown

Portfolio Date: 31/01/2026



	%
United States	20.0
Japan	15.6
United Kingdom	14.2
Switzerland	7.2
Germany	6.9
France	6.9
Australia	4.7
Netherlands	4.0
Spain	2.8
Sweden	2.7
Other	15.1
Total	**100.0**

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Equities	—	**74.6**
Vanguard Em Mkts Stk Idx Ins Pl £ Acc	Emerging Markets Equity	3.8
Vanguard FTSE Dev €pe exUKEqIdxInsPl£Acc	European Equity	27.7
Vanguard FTSE UKAllShrIdxUnitTrInsPl£Acc	UK Equity	11.2
Vanguard Jpn Stk Idx Ins Pl £ Acc	Japanese Equity	11.5
Vanguard Pac exJpn Stk Idx Ins Pl £ Acc	Asia Pacific Equity	5.6
Vanguard U.S. Eq Idx Ins Pl £ Acc	US Equity	14.9
Fixed Income	—	**23.4**
Vanguard Glb Bd Idx Ins Pl £ H Acc	Global Fixed Income	12.2
Vanguard UK Govt Bd Idx Ins Pl £ Acc	UK Gilts	7.3
Vanguard UK Invm Grd Bd Idx Ins Pl £ Acc	UK Corporate Bonds	3.8
Cash	—	**2.0**
CASH	Cash & Money Market	0.3
Vanguard Stlg S/T Mny Mkts Ins PlsGBPAcc	Cash & Money Market	1.8

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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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IMPORTANT: The projections and other information generated by the Vanguard Capital Markets Model ("VCMM") regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. VCMM results will vary with each use and over time.

The VCMM projections are based on a statistical analysis of historical data. Future returns may behave differently from the historical patterns captured in the VCMM. More important, the VCMM may be underestimating extreme negative scenarios unobserved in the historical period on which the model estimation is based.

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