

WISE INVESTMENT LIMITED - ETHICAL BALANCED

Pershing

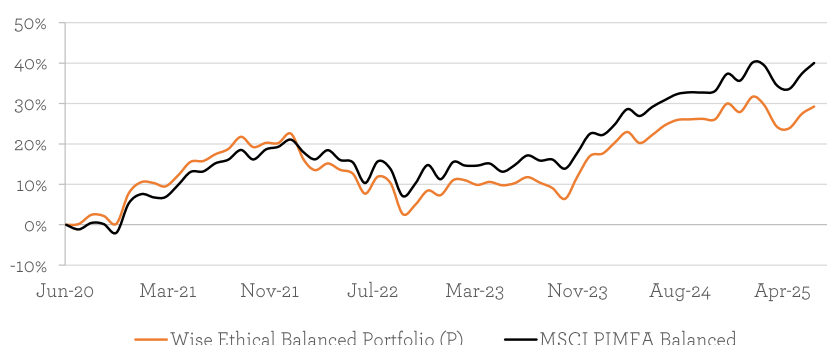
MONTHLY FACTSHEET

all data as at 30th June 2025

PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Ethical Balanced Model Portfolio is designed for clients who are looking for a total return in line with the MSCI PIMFA Balanced index over a 5 to 10-year period. We aim to achieve this by exclusively investing in a focussed list of ethical and sustainability-oriented funds (unit trusts, investment trusts and OEICs). These funds will have specific objectives of providing capital to businesses whose operations and activities either meet specific ethical standards or are engaged in improving the long-term sustainability of the earth's resources. The portfolio will have diversification across geography, asset class and investment style. The funds invest in real assets, such as company shares (listed both in the UK and overseas), property, fixed interest and cash. The Portfolio is managed so that 50%-80% is invested in 'medium' risk assets, such as shares and property, 20%-50% is to be held in assets defined as 'moderate', 'low' or 'minimal' risk, which are mainly comprised of fixed interest (UK government and higher quality company debt) and cash, any remaining balance up to 10% can be held in higher risk assets such as shares in specific countries and industries. We consider the portfolio to be suitable for those willing to adopt a balanced risk profile.

PERFORMANCE SINCE LAUNCH (using month-end data)



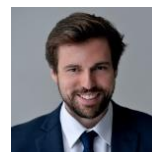
CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr	Launch
Wise Ethical Balanced Portfolio (P)	1.4%	4.0%	1.1%	3.8%	20.0%	29.3%	29.3%
MSCI PIMFA Balanced	1.9%	4.1%	3.2%	7.0%	26.9%	40.1%	40.1%

DISCRETE ANNUAL PERFORMANCE

	30/06/2024	30/06/2023	30/06/2022	30/06/2021	30/06/2020
Wise Ethical Balanced Portfolio (P)	3.8%	13.0%	2.4%	-8.3%	17.5%
MSCI PIMFA Balanced	7.0%	14.0%	4.0%	-4.3%	15.2%

PORTFOLIO MANAGEMENT



WILLIAM GEFFEN

Head of Investment
Management

William joined Wise Investment in November 2023

and has 4 years' experience in managing equity funds. His main responsibility is the selection of suitable investments for portfolios and ensuring our investment service meets your requirements.

William successfully passed all three level of the Chartered Financial Analyst (CFA) exams gaining the qualification in 2021.

Key Portfolio Details

Launch Date	30th June 2020
Holdings	11
Historic Yield ¹	2.9%
Volatility ²	8.7%
Benchmark	MSCI PIMFA Balanced
Model OCF ³	0.5%
Service Charge ⁴	1.8%

Contact Details

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All data used on this factsheet is supplied by Financial Express. Rounding may result in charts and tables not adding up to 100% in displayed data. Performance is based on total returns on a bid-to-bid basis, net of UK dividend tax credits and is calculated referencing a model portfolio. Actual portfolio statistics may differ because of investment performance, cash movements, transaction costs and the timing of sales and purchases within the portfolio. Quoted performance does not include fees levied by Wise Investments Ltd or any fees from custodial services. Service fees will apply. Past performance is not a reliable indicator of future results. This document should not be construed as an investment recommendation.

1 The Historic Yield is the weighted average yield of the model based on the model's current constituents

2 Volatility is the annualised monthly volatility of the model portfolio to the most recent month end over a 3 year period or since launch if this period is less than 3 years

3 The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights

4 The Service Fee incorporates the model OCF, the standard non-tiered annual fees levied by Wise Investments Limited and custodian fees, of which this is the highest possible fee. Further details of these charges are disclosed to clients investing in the model portfolios.



MONTHLY COMMENTARY

June saw another good month for investors, drawing the first half of the year to a close with many markets near all time highs despite the volatility seen earlier in the year.

In equity markets, the US continued its steady recovery from the April lows post “Liberation Day”, with talk of tariffs and business uncertainty increasingly in the rear-view mirror. This drove the US market up 3.4% in sterling terms, pulling the world index (which is ~70% US driven) up 2.7%.

Other equity markets rose, but lagged the US, with Europe up 0.6%, and the UK and Japan up just 0.3% and 0.1% respectively. Emerging markets saw the largest jump from a thawing in trade relations, returning 4.3%.

In fixed income, markets were similarly buoyant, with Gilts returning 1.6% and corporate bonds returning 1.8% as the yield curve steadied earlier in the month. High Yield bonds returned 1.2%, behind corporate bonds as they benefitted less from the drop in the yield curve.

Finally, in real estate, directly held property rose 0.4% while the listed liquid real estate rose 1.1% as lower yields fed hopes of lower borrowing costs for buyers.

Looking forward some uncertainty persists regarding US tariff policy. The 90 day pause deadline is fast approaching and sizeable extra tariffs could be imposed on the likes of Japan and Europe, stifling economic growth. Simultaneously, while headline US inflation came in fairly low as expected, under the hood there are some warning signs. While services, digital goods and travel costs dropped, physical goods like clothes and electronics, i.e imports, rose, suggesting early signs of businesses passing tariff costs through to end consumers - a trend that could push inflation, hamper growth and force the US Federal Reserve to further postpone hotly anticipated rate cuts.

Meanwhile the US and UK governments both seem to be unable to bring spending under control. In the US, the Big Beautiful Bill, full of tax cuts and spending, passed through both the House and Senate and is now in full force, pushing government spending further despite the much vaunted DOGE cuts. In the UK, a rebellion within the labour party stifled attempts to bring the benefits bill under control, pushing the Chancellor to the verge of breaching her own “fiscal rules” and making both further taxes and borrowing almost inevitable. This puts a deal of stress on bond markets, and while it is unlikely to create a sudden shock like we saw with the Lizz Truss budget in late 2022, it will put steady upwards pressure on bond yields.

The Ethical Balanced model returned 1.4%, behind the 1.9% return for the PIMFA Balanced benchmark.

This return was largely driven by a slight lag in the Global Equity positions with Regan Water and Waste returning just 0.8% and the AB Healthcare position returning -0.6% as the healthcare sector continues to lag the broader market.

We made no changes to the portfolio in June, and we continue to favour a strategy of strong core global equity exposure via the low fee passives like the Vanguard ESG Developed World All Cap Equity Index fund. This more volatile exposure is moderated by high quality and shorter-dated bonds in the fixed income portion of the portfolio.

Tactically, we maintain our position in the Aegon Ethical Equity and Royal London sustainable Leaders Trust funds to capture the substantial discount we see in the UK market. We also maintain a 5% position in the AB International Healthcare fund to take advantage of the attractive valuations in the healthcare sector – a sector that also has enjoyed strong long-term returns due to the high-quality nature of many healthcare businesses and the steady secular growth trends they are exposed to (e.g. aging populations).

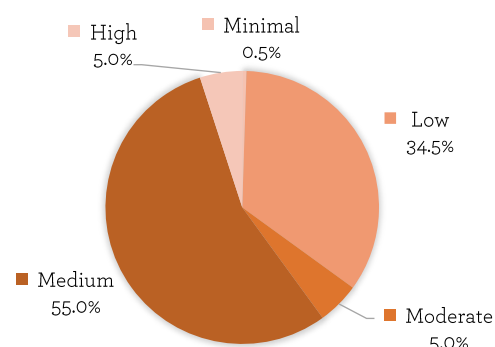
We also have a modest 5% position in Schroder Global Cities Real Estate fund as we continue to see value in this down beaten asset class as shown by the depressed prices in commercial properties and large net asset value discounts in listed real estate trusts.

HOLDINGS

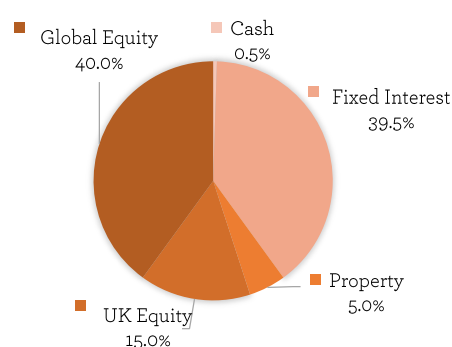
Name	Weight	OCF
Vanguard ESG Developed World Equity Index	30.0%	0.20%
TwentyFour Sustainable Short term bond	24.5%	0.36%
Royal London Sustainable Leaders Trust	10.0%	0.76%
TwentyFour Sustainable Global Corporate Bond	5.0%	0.40%
TwentyFour Monument Bond	5.0%	0.39%
TwentyFour Asset Backed Opportunities	5.0%	0.71%
Schroder Global Cities Real Estate	5.0%	0.93%
Aegon Ethical Equity	5.0%	0.77%
JOHCM Regnan Sustainable Water and Waste	5.0%	0.85%
Alliance Bernstein International Healthcare	5.0%	0.96%
Cash	0.5%	0.00%

RISK ALLOCATION

For Asset Risk Category definitions see the Wise Investment Risk Appendix, supplied to investors in the model portfolios.



ASSET ALLOCATION



IMPORTANT INFORMATION

Portfolio returns from the Wise Investment Model Portfolio Service will be subject to investment market fluctuations and there is no guarantee that the portfolio objectives, including any income targets, will be achieved. Where income is received as dividends, these will be automatically reinvested in the Model Portfolio, which may result in the Model Portfolio returns being higher than what a client portfolio can actually achieve. The performance will be reduced by the withdrawal of income and the impact of the ongoing charges and portfolio transaction costs. The charges can vary. Prices of funds and the income from them may fall as well as rise and investors may not get back the amount originally invested. Consequently, an investment into this portfolio should be considered for a 5 to 10 year period. The funds may invest in higher-yielding or non-investment grade bonds. The funds may hold investments denominated in currencies other than sterling. Changes in exchange rates will cause the value of these investments and the income from them to rise or fall. The funds can use derivatives for investment purposes. These instruments can be more volatile than investment in equities or bonds. Every effort is taken to ensure the accuracy of the data used in this document, but no warranties are given. Wise Investment has expressed its own views and these may change. The data contained in this document has been sourced by Wise Investment and should be independently verified before further publication or use. Wise Investment is a trading brand of Wise Investments Ltd. Wise Investments Ltd is authorised and regulated by the Financial Conduct Authority. Ref no. 230553.

