

# WISE INVESTMENT LIMITED - ETHICAL BALANCED

## Pershing

## MONTHLY FACTSHEET

all data as at 31<sup>st</sup> August 2026

## 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 Morningstar PIMFA Balanced index over a 3 to 6-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)         | 0.9% | 1.5% | 3.8% | 11.4% | 33.7% | 21.2% | 47.6%  |
| Morningstar PIMFA Private Investor Balanced | 1.0% | 1.3% | 3.6% | 14.6% | 42.6% | 39.4% | 64.9%  |

## DISCRETE ANNUAL PERFORMANCE

|                                             | 31/08/2025 | 31/08/2024 | 31/08/2023 | 31/08/2022 | 31/08/2021 |
|---------------------------------------------|------------|------------|------------|------------|------------|
|                                             | 31/08/2026 | 31/08/2025 | 31/08/2024 | 31/08/2023 | 30/09/2022 |
| Wise Ethical Balanced Portfolio (P)         | 11.4%      | 5.1%       | 14.2%      | 0.1%       | -9.4%      |
| Morningstar PIMFA Private Investor Balanced | 14.6%      | 7.8%       | 15.5%      | 2.1%       | -4.2%      |

## PORTFOLIO MANAGEMENT



### CHARLES YOUNES

Head of Investment  
Management

Charles Younes, CFA, is Head of Investment Management at Wise Investment, leading our MPS portfolios. A CFA charter holder since 2014, he brings 15 years of experience in fund selection and running cross-asset portfolios.

Previously Deputy CIO at FE Fundinfo, Charles held direct investment discretion over £5bn. He began his career at Amundi in London.

## Key Portfolio Details

|                             |                               |
|-----------------------------|-------------------------------|
| Launch Date                 | 30th June 2020                |
| Holdings                    | 10                            |
| Historic Yield <sup>1</sup> | 2.5%                          |
| Volatility <sup>2</sup>     | 7.8%                          |
| Benchmark                   | Morningstar<br>PIMFA Balanced |
| Model OCF <sup>3</sup>      | 0.5%                          |
| Service Charge <sup>4</sup> | 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.

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

<sup>2</sup> 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

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

<sup>4</sup> 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

August was a much better month for Global markets. The sharp sell-off in technology and semiconductor shares gave way to a strong recovery, helped by robust earnings from major US technology companies, and a broader rally in semiconductor shares. Markets took comfort that the growth story behind AI investment remained firmly in place, even if valuations needed a reset last month.

Emerging markets, which bore the brunt of last month's sell-off, led the way back. Many emerging market indices are concentrated in the same technology and semiconductor businesses that fell so sharply last month, particularly in Taiwan and South Korea, and these rebounded strongly as confidence returned. The emerging markets index rose 2.60% over the month, recovering a good part of the previous month's losses, while broader international equities gained 1.99% and developed world equities added 1.82%.

UK equities, by contrast, had a much quieter month, rising a modest 0.40% as the rotation that favoured value and cyclical sectors in July partly unwound. Having been the standout region last month, the UK simply had less catching up to do, and money that had moved into more traditionally valued areas flowed back towards the technology and growth names that led the recovery.

Property gave back some of its recent strong run, with listed UK property falling 1.21% in the month, as investors took profits after several months of gains.

Bond markets had a much calmer month too, after the political drama of recent weeks. Chancellor John Healey continued to reassure markets that the government remains committed to its fiscal rules, and with no further shocks from Westminster, gilt yields eased back from the highs reached around the change of Prime Minister. UK inflation did tick up to 2.9%, driven by higher household energy bills, but this was in line with expectations and didn't rattle markets the way last month's political news had. Government bonds returned 0.21%, corporate bonds 0.52% and inflation-linked gilts 0.94% over the month, with cash adding a further 0.32% as short-term interest rates remain high.

We still see last month's technology sell-off as a valuation reset rather than the start of something more serious, and August's strong recovery supports that view; spending plans from the world's largest technology companies remain firmly in place, and earnings have continued to beat expectations. That said, valuations in parts of the technology sector remain elevated, and the speed of August's rebound is a good reminder of just how quickly sentiment can swing in either direction. Inflation, the direction of gilt yields, and the risk of renewed conflict in the Middle East remain the key things we're watching into the autumn, with the new Chancellor's fiscal plans not expected to be clarified until the October budget. Markets are also keeping an eye on the Federal Reserve's Jackson Hole symposium for clues on the path of US interest rates. Meanwhile, although equity markets have performed well overall, much of the year's gains have still been driven by a relatively small number of companies.

Against this backdrop, we have positioned the portfolios to sustain some inflationary shock and protect capital if this occurred. Within fixed income, we continue to favour shorter-dated bonds, which carry less duration risk and so are less exposed to price falls if yields rise further on the back of higher inflation. Within equities, we rely on our active managers to select companies in cyclical industries that are better placed to pass on rising costs and benefit from a strengthening economic backdrop, rather than simply holding the market through an index. No changes were made to any of the model portfolios in August and we maintain a measured approach, emphasising diversification, valuation discipline and selective investment in long-term growth opportunities.

The Ethical Balanced model returned 0.9% in August, a little behind the 1.0% PIMFA Balanced benchmark.

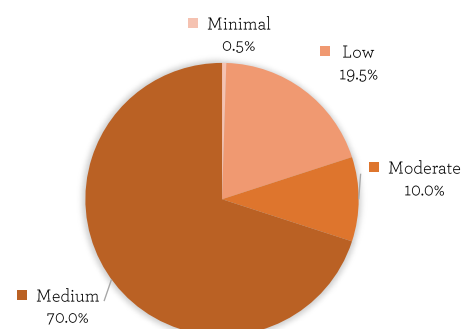
Our core global equity holding, Vanguard ESG Developed World All Cap, was the standout contributor, up 2.63% as global equities recovered, with TwentyFour Sustainable Global Corporate Bond and TwentyFour Monument Bond also adding value. The main drags were Schroder Global Cities Real Estate, down -2.49%, and BNY Mellon Global Equity Income (Responsible), down -0.50%.

## HOLDINGS

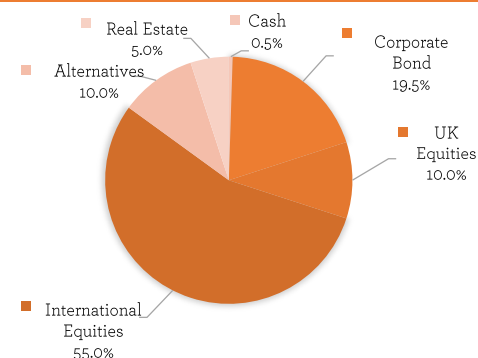
| Name                                         | Weight | OCF   |
|----------------------------------------------|--------|-------|
| Vanguard ESG Developed World Equity Index    | 37.5%  | 0.20% |
| TwentyFour Sustainable Global Corporate Bond | 15.0%  | 0.39% |
| BNY Mellon Global Equity Income(Responsible) | 12.5%  | 0.84% |
| Royal London Sustainable Leaders Trust       | 10.0%  | 0.76% |
| TwentyFour Monument Bond                     | 5.0%   | 0.38% |
| TwentyFour Sustainable Short term bond       | 5.0%   | 0.36% |
| Schroder Global Cities Real Estate           | 5.0%   | 0.95% |
| JOHCM Regnan Sustainable Water and Waste     | 5.0%   | 0.87% |
| EdenTree R&S Short Dated Bond                | 4.5%   | 0.48% |
| 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 3 to 6 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.

