WISE INVESTMENT LIMITED - ETHICAL BALANCED
Pershing

WISE INVESTMENT

MONTHLY FACTSHEET
all data as at 31st October 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)	-0.3%	-0.4%	3.3%	5.5%	37.0%	21.2%	45.8%
Morningstar PIMFA Private Investor Balanced	-0.6%	0.2%	4.0%	7.5%	43.8%	37.9%	63.5%

DISCRETE ANNUAL PERFORMANCE

	31/10/2025 31/10/2026	31/10/2024 31/10/2025	31/10/2023 31/10/2024	31/10/2022 31/10/2023	31/10/2021 30/11/2022
Wise Ethical Balanced Portfolio (P)	5.5%	9.6%	18.5%	1.3%	-12.7%
Morningstar PIMFA Private Investor Balanced	7.5%	14.1%	17.2%	3.6%	-7.4%

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[1]	2.5%
Volatility[2]	7.5%
Benchmark	Morningstar 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

October was a month of contrasts for markets. A sharp sell-off in technology and chip shares dragged global equities lower and hit emerging markets hard, while bonds bounced back and the UK turned out to be one of the more resilient major markets.

It all started with growing doubts over how much companies are spending on artificial intelligence, and when that spending will pay off. Big names like Nvidia, Alphabet and Meta fell sharply as a result. Emerging markets felt it the most, falling -8.82%, as Asia was particularly exposed: South Korea dropped around 15% and Taiwan by more than 8%, both home to some of the world's biggest chipmakers, and Japan was weaker too. Latin America slipped as well, led by Brazil. Overall, Global equities fell -2.63%. It wasn't all bad news beneath the surface, though. Value shares beat growth, and defensive areas like healthcare, consumer staples and energy did well, so this looked more like a rotation away from technology than a retreat from equities as a whole.

After a tough previous month, bonds made a welcome comeback as investors looked for safer ground, with government bonds returning 1.61%, inflation-linked gilts 2.29% and corporate bonds 0.66%. The UK Autumn Budget on 28 October, the first from Chancellor John Healey, also passed with little drama, as he reaffirmed the fiscal rules and gilt yields and sterling barely moved on the day.

UK equities rose 1.06%, one of the strongest of the major markets, helped by the UK's bigger weighting in energy, healthcare, consumer staples and other more traditional sectors, and its limited exposure to technology. Listed property bounced back too, returning 3.29%, as falling gilt yields took some of the pressure off the sector after last month's tough patch.

Energy was another big talking point. Brent crude climbed above $115 a barrel at times as attacks on tankers in the Strait of Hormuz continued, with the conflict involving Iran now in its eighth month. Higher energy costs are keeping inflation elevated, and the US Federal Reserve held interest rates at 3.75%-4.00% at the end of the month, following its rate rise the previous month.

We don't see October's sell-off as the end of the AI story, but it was a timely reminder of how concentrated markets have become, and a month where active management paid off. The very largest companies in the index fell sharply, so funds that simply track the index, and hold those companies at full weight, felt the full impact. Our active managers, who hold a broader mix of investments, were able to benefit. Looking ahead, the US midterm elections on 3 November may bring some headline volatility, although history suggests their lasting impact on markets is usually modest. With the Budget now behind us, we'll be keeping a close eye on oil prices and inflation, central bank decisions, and how the AI story develops as the next round of company results arrives.

With all of this in mind, we've positioned the portfolios to cope with some inflationary shock and protect capital if bond markets or oil prices turn volatile again. We continue to favour shorter-dated bonds, which carry less duration risk, and we rely on our active equity managers to pick companies in cyclical and value-orientated areas rather than simply holding the market through an index, an approach that helped this month as markets rotated away from technology. No changes were made to any of the model portfolios in October, and we're keeping a measured approach, focused on diversification, valuation discipline and selective investment in long-term growth opportunities.

The Ethical Balanced model returned -0.3% in October, ahead of the -0.6% PIMFA Balanced benchmark.

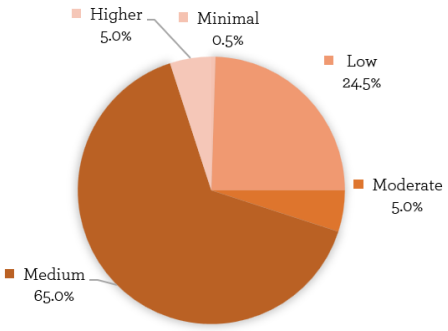
BNY Mellon Global Equity Income (Responsible) was the standout, up 3.44%, with TwentyFour Sustainable Global Corporate Bond up 1.35% and JOHCM Regnan Sustainable Water and Waste up 1.99%. BNY Mellon Global Equity Income (Responsible) holds less in technology, which has weighed on returns in recent months but helped this month, and we're happy with it for the diversification it provides away from a technology-heavy index while meeting the portfolio's responsible investment objectives. The main drag was our core global equity holding, Vanguard ESG Developed World All Cap, down -3.00%. It fell by more than the wider developed market because it has more technology exposure and, under the portfolio's responsible investment criteria, no exposure to oil and gas companies, which were among the strongest performers in October.

HOLDINGS

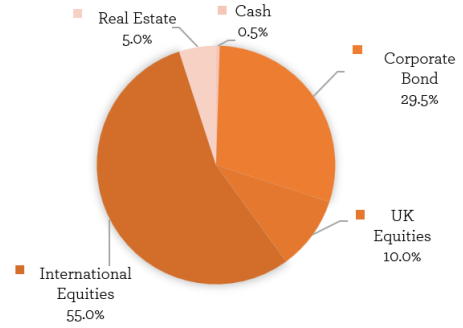
Name	Weight	OCF
Vanguard ESG Developed World Equity Index	37.5%	0.20%
TwentyFour Sustainable Global Corporate Bond	15.0%	0.39%
BNY Mellon Global Equity Income(Responsible)	12.5%	0.84%
Royal London Sustainable Leaders Trust	10.0%	0.76%
TwentyFour Monument Bond	5.0%	0.38%
TwentyFour Sustainable Short term bond	5.0%	0.36%
Schroder Global Cities Real Estate	5.0%	0.95%
JOHCM Regnan Sustainable Water and Waste	5.0%	0.86%
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.

