

## Portfolio Management Service - Ethical Balanced

### Key facts

As at 30<sup>th</sup> June 2022

**Launch date** - 1st November 2016

#### Minimum investments

- If investing directly with Whitechurch:
  - Lump sum - £3,000 (incl transfers)
  - Regular savings £250 per month
- Different minimum amounts may apply if investing through a platform

#### Whitechurch Initial Fee

0% of amount invested

#### Whitechurch Annual Management Fee\*

- 0.25% per annum of the portfolio value (+VAT)
- If investing through a platform the fee is 0.35% per annum of the portfolio value (+VAT)

#### Custodian Fee\*

- If investing directly with Whitechurch the custodian fee is 0.52% per annum of the portfolio value (charged monthly). This is capped at £1,300
- If investing through a platform there will be no Whitechurch custodian fee, however, a platform fee may apply

#### Advisory Fees\*

To be agreed with Financial Adviser

#### Income

Income can be distributed quarterly or reinvested back into the portfolio

\* Please refer to the direct or platform service brochure for full details of charges.

**Please note underlying fund charges are in addition to the charges listed above.**



### Key objectives

This strategy is suited to clients looking to invest for the long term whilst taking into consideration a range of socially responsible criteria. The strategy provides access to collective investments within a globally diversified managed portfolio.

The portfolio looks to exclude companies which are substantially involved in or cause animal testing (non-medical); countries or companies with evidence of poor human rights records; companies whose main source of revenue is gambling, arms production and export, production and sale of tobacco, production and sale of weapons systems and those who irresponsibly promote alcohol. We look to exclude companies involved in pornography and nuclear power where possible.

Many of the funds use a positive screen in addition to a negative screen, rewarding companies for positive actions. For example, in the areas of renewable energy, reducing environmental impact and positive social contributions.

NB: This strategy is available directly from Whitechurch and through external platforms.

### Investment manager's comment

	<b>Looking Back:</b> The strategy delivered a total return of -7.7% which was behind the ARC £ Balanced Asset PCI benchmark return of -6.3%.
	<b>Best Performing Holding:</b> BMO UK Property, which returned 1.8% over the quarter. Despite the sombre outlook for the wider UK economy, the property market remained robust throughout the quarter, with rising prices and strong demand. Real estate assets provided a useful hedge against a backdrop of rising inflation, with rent escalators tied to inflation-linked indices such as the CPI.
	<b>Worst Performing Holding:</b> Aegon Global Sustainable Equity, which returned -20.2% over the quarter. The funds' exposure to the technology sector was the major detractor of performance, as investors continued their indiscriminate sell-off of long duration growth companies perceived to be overvalued in a higher interest rate environment. In addition, the funds mid-cap bias remained out of favour, with investors instead seeking the perceived relative safety of large-cap names.
	<b>Portfolio Changes:</b> There were no portfolio changes in the quarter.
	<b>Looking Ahead:</b> In a period of considerable market uncertainty, driven by rising inflation, central bank interest rate hikes and the ongoing conflict in Ukraine, performance lagged the benchmark. However, we believe it is important to look through quarterly movements, positive or negative, and focus on the portfolio's long-term objectives. We believe that, on that basis, the portfolio is well placed to deliver an attractive long-term total return, through a blend of income and capital growth, within a balanced risk profile.

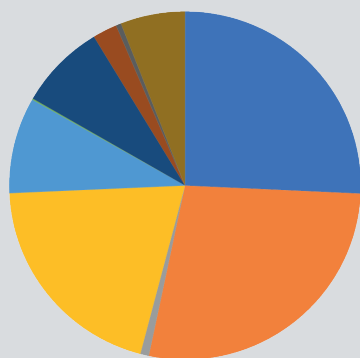
Performance Table	3M	6M	0-12M	12-24M	24-36M	36-48M	48-60M	5 Year Cumulative	Volatility (3 Years)
PMS Ethical Balanced - Risk 5	-7.7%	-14.1%	-10.8%	16.9%	5.6%	5.2%	4.5%	21.0%	11.4%
ARC £ Balanced Asset PCI	-6.3%	-9.4%	-6.6%	11.8%	0.5%	2.7%	3.0%	11.0%	8.2%

The ARC Benchmark is an industry performance average to provide a clear comparison of Whitechurch investment performance against other companies with portfolios with the same level of risk.

Source: FE Analytics, Whitechurch Securities. Performance figures are calculated to 30/06/2022 net of fees in sterling. Unit Trust prices are calculated on a bid-to-bid basis OEICs, Investment Trust and Share prices are calculated on a mid to mid basis, with net income reinvested. The value of investments and any income will fluctuate and investors may not get back the full amount invested. Currency exchange rates may affect the value of investment. Benchmark figures are based on ARC estimates and are subject to revision.

## Asset allocation - Portfolio breakdown

(at 30<sup>th</sup> June 2022)



UK Equity	25.7%
Global Developed Equity	27.6%
Global Emerging Equity	0.8%
UK Fixed Income	20.2%
Global Developed Fixed Income	8.9%
Global Emerging Fixed Income	0.1%
Property	8.0%
Commodity	2.3%
Other	0.5%
Cash & Money Market	5.9%

Source: Financial Express 30<sup>th</sup> June 2022. Asset allocation numbers may not add up to 100% due to rounding. Negative asset allocation can occur due to the underlying positions employing hedging strategies.

## Current holdings

- Aegon Ethical Corporate Bond
- Aegon Global Sustainable Equity
- BMO Responsible UK Income
- BMO UK Property
- Gravis Clean Energy
- Janus Henderson Global Sustainable Equity
- Janus Henderson UK Responsible Income
- Liontrust Sustainable Future Global Growth
- Liontrust UK Ethical
- Pictet Water
- Rathbone Ethical Bond
- TwentyFour Sustainable Short Term Bond
- Cash

For further information about any of the areas included in this or any of our other strategies in the Portfolio Management Service please contact your Financial Adviser.

## Risk Profile 5/10 - Medium

This is a balanced strategy focused towards investors who accept a degree of risk whilst looking to enhance returns. This strategy will invest up to a maximum of 60% in equities with the aim of enhancing returns over the medium to long term and combating inflation. Investors accept that the overall portfolio will show losses over certain periods but are accepting a medium level of risk in return for a potentially higher return over the long term.

## Whitechurch Risk Ratings

Risk is defined as the risk to the capital or original investment (based on a minimum 5 year investment term). Whitechurch provides a risk rating of portfolios on a scale of 1 to 10 (1 being the lowest risk and 10 being the highest risk). Full guidelines are available in the Whitechurch Portfolio Management Service brochure.

## Other strategies under the Portfolio Management Service

- **Dynamic Defensive Strategy 3/10 - Low Risk \***
- **Dynamic Cautious Strategy 4/10 - Low Risk \***
- **Cautious Growth Strategy 4/10 - Cautious**
- **Dynamic Balanced Strategy 5/10 - Medium \***
- **Monthly Distribution Strategy 5/10 - Medium**
- **Dynamic Steady Growth Strategy 6/10 - Above Average \***
- **Global Income & Growth Strategy 6/10 - Above Average**
- **Dynamic Growth Strategy 7/10 - High Risk \***
- **Stockmarket Growth Strategy 7/10 - High Risk**
- **Energy & Global Shift Strategy 8/10 - Aggressive**

## Award Winning Services



Signatory of:



## Dynamic Planner

Portfolios rated on Dynamic Planner offer added assurance of a sophisticated assessment to meet a client's attitude to risk.

\* These strategies are available directly from Whitechurch and through external platforms.

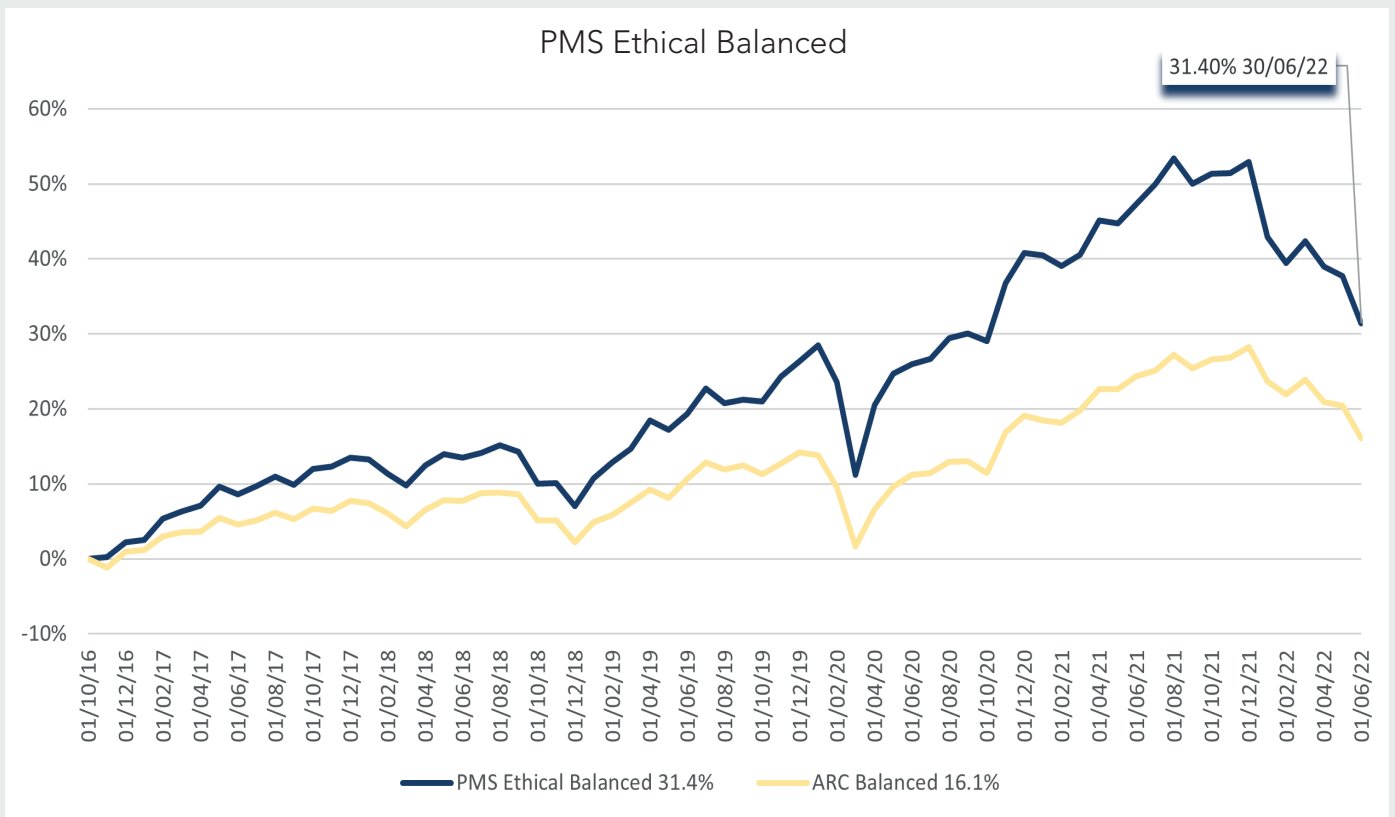
Whitechurch Securities Ltd, The Old Chapel, 14 Fairview Drive, Redland, Bristol, BS6 6PH. Whitechurch Securities Ltd is authorised and regulated by the Financial Conduct Authority.

This fact sheet is intended to provide information of a general nature and does not represent a personal recommendation of the service. If you are unsure, seek professional advice before making an investment. Whilst we have made great efforts to ensure complete accuracy we cannot accept responsibility for inaccuracies. The past is not necessarily a guide to future performance. The value of investments and any income produced can go down as well as up and you may not get back the full amount invested. Levels and bases of, and reliefs from, taxation are subject to change.

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**Ethical Balanced Performance to 30<sup>th</sup> June 2022**



Performance figures are calculated to 30/06/2022 net of fees in sterling. Unit Trust prices are calculated on a bid-to-bid basis. OEICs, Investment Trust and Share prices are calculated on a mid to mid basis, with net income reinvested. The value of investments and any income will fluctuate and investors may not get back the full amount invested. Currency exchange rates may affect the value of investment. Benchmark figures are based on ARC estimates and are subject to revision. Source: Whitechurch Securities Ltd, FE Analytics.