Objective

The primary objective of the Conservative portfolio is to generate long-term returns in excess of cash and inflation with limited volatility. The portfolio has an exposure of 30-50% to UK and Global equity markets. To achieve a balance, the portfolio also invests in fixed income, liquidity funds and alternative assets. This portfolio is suitable for cautious investors who prefer their investments to limit fluctuations with the caveat that long term returns will likely be lower than more volatile options.

Key Facts

Inception date	**11 July 23**
Historical Yield	**2.03%**

Ongoing charges

Investment Management Charge	**0.40%**
Fund Management Costs (OCF+)	**0.96%**
Total Expense Ratio (TER)[1,2,3]	**1.36%**

[1]An AJ Bell platform charges of 0.2% will apply to a GIA, ISA, or SIPP account and 0.25% for a RIA.
[2] Excludes the tiered advice charge of up to 0.75%, see SOFAC for further details.
[3] As at 30 September 2026.

Target Market

Our core target market is a retail client with a basic understanding or better of investment markets who can remain invested for at least five years and can afford to be exposed to market movements.

Cumulative Performance



A - IA Mixed Investment 20-60% Shares TR in GB [31.65%]
B - Conservative (Risk 3) 02/10/2026 TR in GB [30.85%]
C - ARC Sterling Cautious PCI TR in GB [18.48%]

11/07/2023 - 30/09/2026 Data from FE fundinfo2026

**Return figures displayed are net of investment management fees and fund management charges excluding financial planning and platform charges which may vary.*

Performance & Volatility to latest month end

Performance (%)	3m	1y	3y	Since Inception
Portfolio*	1.91	7.81	27.48	30.85
IA Benchmark	-0.02	8.27	30.14	31.65
ARC Benchmark	0.00	4.48	18.12	18.48
Volatility**	**3m**	**1y**	**3y**	**Since Inception**
Portfolio	4.98	6.69	5.38	5.26
IA Benchmark	4.14	7.69	6.06	6.02
ARC Benchmark	1.46	3.27	2.90	3.11

**Return figures are cumulative, net of investment management fees and fund management charges. They exclude platform charges[1] and ongoing tiered advice charges[2].*
***The fund volatility factor (FVF) is a measure of the rise and fall in a fund's return over a period relative to its average returns.*

Top 10 Holdings

Portfolio Holdings	% Weight
Aviva Investors - Returnplus IYH Acc GBP	6.00
PIMCO - Emerging Markets Opportunities Inst Hedged Inc GBP	6.00
Premier Miton - Strategic Monthly Income Bond C Acc GBP	6.00
WS Ruffer - Diversified Return I Inc	5.50
Aberdeen Standard - Short Dated Enhanced Income Fund X Hedged Acc GBP	5.00
M&G - Global Corporate Bond L Dis GBP	5.00
YFS - Argonaut Absolute Return R Acc GBP	5.00
Nomura - Global Dynamic Bond ID Hedged GBP	5.00
GAM - Star Global Rates Inst Acc GBP	5.00
Liontrust - European Dynamic I Inc	4.50
Dodge & Cox - Global Stock Dis GBP**	4.50
GAM - GAM Star Income Inst Inc GBP**	4.00

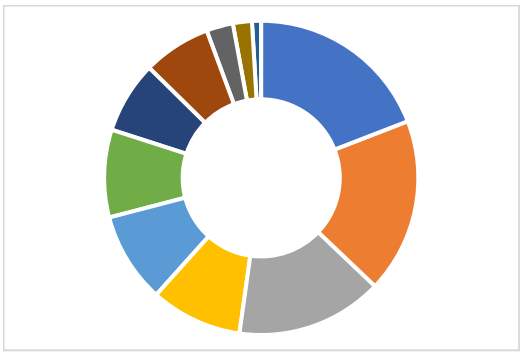
Market Commentary

Equities were relatively flat during Q3 as investors weighed rising inflation concerns driven by higher energy prices. Despite several attempts to agree a ceasefire, negotiations between the US and Iran have yet to produce a meaningful breakthrough. Despite the higher energy prices which consumers are now feeling at the pump, economic data continues to indicate a resilient economy, allowing some central banks to raise interest rates in an effort to combat inflation. The Bank of England has so far held off but at least one hike is looking likely before the end of the year. Bond yields continued to rise during the quarter and we have selectively increased exposure as risk-adjusted return prospects look attractive. While we remain optimistic about the long-term potential of artificial intelligence, we believe the greatest beneficiaries are likely to be companies that successfully deploy the technology rather than those developing it. We continue to find more attractive valuations outside of the US and remain underweight with our positioning.

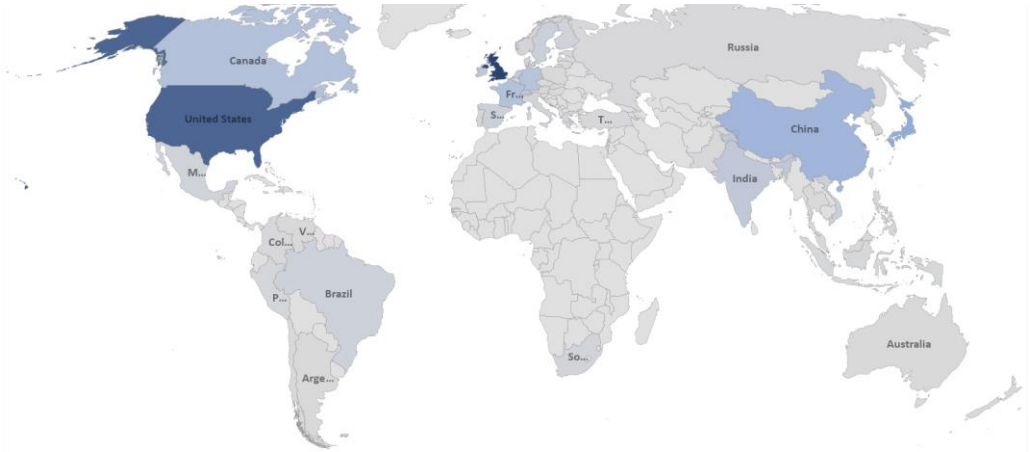
Portfolio Breakdown at 30th September 2026



Growth		**44%**
	Equity Large Cap	22.78%
	Equity Mid & Small Cap	21.20%
Defensive		**56%**
	Fixed Income	34.27%
	Cash	7.73%
	Infrastructure	0.00%
	Multi Asset	14.02%



Financial Services	19.13%
Industrials	17.97%
Healthcare	15.12%
Energy	9.43%
Consumer Cyclical	9.30%
Basic Materials	9.01%
Consumer Defensive	7.40%
Technology	7.00%
Communication Services	2.74%
Real Estate	1.96%
Utilities	0.94%



Region	% of Portfolio
UK	25.95
Europe exc. UK	24.16
Africa/ Middle East	3.24
Australasia	0.00
Asia	18.51
North America	25.16
Latin America	2.98
Developed	86.53
Emerging	13.47

Risk Warnings

Please remember that the value of your investment may fall as well as rise and is not guaranteed. You may not get back your initial investment. Past performance is not an indicator of future performance. For full information concerning the portfolio and its risk please speak to an adviser at Two10 Investment Services Ltd.