# PIER

## PURPOSE ✻ THREE

Purpose Three is globally diversified across asset classes, investing in providers who demonstrate their adherence to sustainable and responsible investment principles. Purpose Three's objective is to achieve capital growth of 3% above inflation after portfolio management costs over a rolling five-year period.

### At a Glance

3-month return

1.96%

12-month return

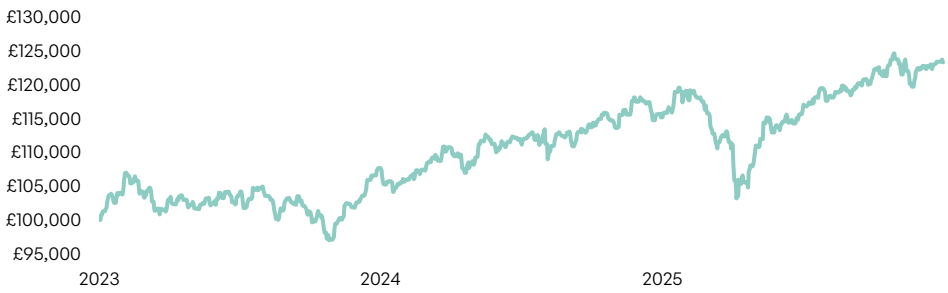
7.04%

Portfolio management costs

0.73%

### Investment Growth - £100,000

Time Period: 01/01/2023 to 31/12/2025

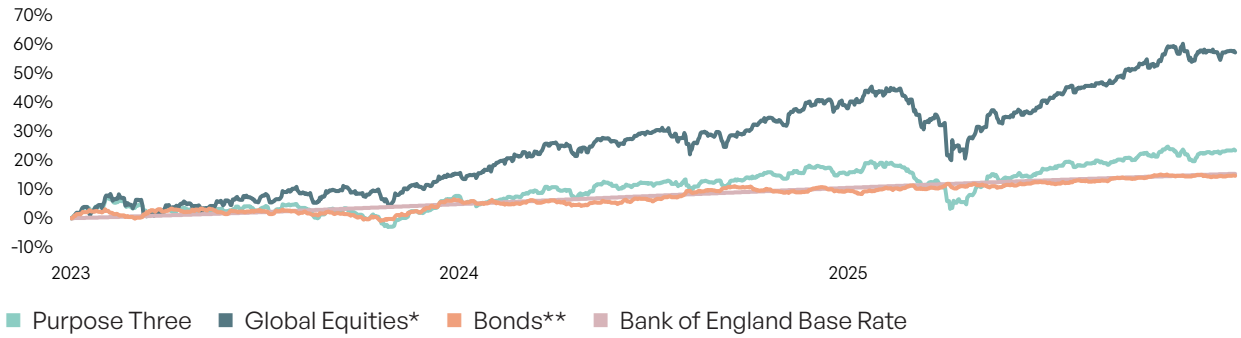



### Calendar Year Returns

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Purpose Three | 6.99 | 7.66 | — | — | — | — | — | — | — | — |
| CPI +3% | 5.62 | 7.08 | 13.84 | 8.54 | 3.61 | 4.34 | 5.17 | 6.06 | 4.61 | 3.21 |

### Investment Growth - Cumulative

Time Period: 01/01/2023 to 31/12/2025




* As represented by the MSCI ACWI ** As represented by the Bloomberg Global Aggregate TR Hdg GBP

### Drawdown

Time Period: 30/08/2022 to 31/12/2025

Drawdown refers to the time taken for performance to recover from the trough (the lowest point of the portfolio's performance to-date) back to its previous peak (its highest point before the decline).

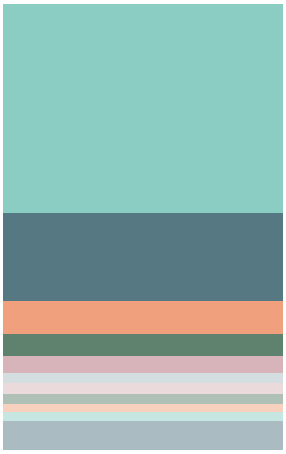
| Initial Investment | Peak | Trough | Days to recover |
|---|---|---|---|
| | 23/01/2025 | 07/04/2025 | |
| £100,000 | £115,130.00 | £99,334.16 | 137 |

Past performance does not predict future performance. It should not be the main reason for making an investment decision. The value of investments and any income from them can fall as well as rise. Performance is shown after deduction of portfolio management costs, but before deduction of platform costs. The performance of investor portfolios may differ from the Model Portfolio shown above for several reasons, including differences in the timing of an initial investment and subsequent portfolio changes, and also the availability of certain funds on various platforms.

## Asset Allocation

| | % |
|---|---|
| Equity | 74.1 |
| Bond | 19.4 |
| Cash | 1.6 |
| Other | 4.9 |
| **Total** | **100.0** |

## Equity Country Exposure



| | % |
|---|---|
| United States | 48.1 |
| United Kingdom | 19.2 |
| Japan | 7.2 |
| Taiwan | 4.8 |
| France | 3.7 |
| Switzerland | 2.3 |
| Netherlands | 2.2 |
| India | 2.1 |
| Germany | 1.9 |
| China | 1.9 |
| Other | 6.6 |
| **Total** | **100.0** |

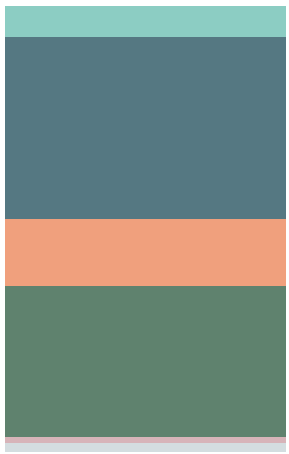
## Top 10 Equity Sectors

| | % |
|---|---|
| Technology | 25.1 |
| Financial Services | 21.4 |
| Industrials | 13.6 |
| Consumer Cyclical | 11.2 |
| Healthcare | 10.7 |
| Consumer Defensive | 6.2 |
| Communication Services | 5.9 |
| Basic Materials | 3.5 |
| Real Estate | 1.8 |
| Utilities | 0.6 |

## Top 10 Equity Holdings

| | % |
|---|---|
| NVIDIA Corp | 2.1 |
| Microsoft Corp | 1.9 |
| Taiwan Semiconductor Manufacturing Co Ltd | 1.6 |
| RELX PLC | 1.1 |
| Unilever PLC | 0.9 |
| Broadcom Inc | 0.9 |
| Taiwan Semiconductor Manufacturing Co Ltd ADR | 0.9 |
| GSK PLC | 0.8 |
| Progressive Corp | 0.8 |
| Tesla Inc | 0.8 |

## Bond Credit Quality



| | % |
|---|---|
| AAA | 7.7 |
| AA | 40.6 |
| A | 14.9 |
| BBB | 33.5 |
| BB | 1.5 |
| Not Rated | 1.8 |
| **Total** | **100.0** |

## Bond Categories

| | % |
|---|---|
| Government | 61.5 |
| Corporate | 33.3 |
| Securitized | 3.1 |
| Cash & Equivalents | 1.7 |
| Other | 0.3 |
| **Total** | **100.0** |

Source: Morningstar. Totals may not equal 100% due to rounding.
Past performance does not predict future performance. It should not be the main reason for making an investment decision.
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# Pier Purpose: Portfolio Construction

Purpose is Pier's range of inflation-plus solutions that aligns outcomes with responsible and sustainable investing. They are designed for investors who want to invest some or all of their wealth in assets to support a better society. To achieve those desired returns, Purpose portfolios invest in a blend of market tracking and actively managed investments that demonstrate responsible and sustainable principles.

Purpose is built on long-term strategic asset allocation with the opportunity to benefit from taking short-term tactical positions. Where Purpose differs to our other investment solutions is our regular monitoring to ensure that it meets the Financial Conduct Authority's 'Sustainable Disclosure Requirements' (SDR). When UK government bonds are used as part of a Purpose multi-asset portfolio, they are deemed to be beneficial to UK society.

While the construction of any portfolio is key to its desired outcome, an extra layer of scrutiny is required for Purpose solutions. For investors who want to support a better society, Pier's portfolio construction aims to ensure each investment delivers a sustainable and responsible solution. To underscore that, using data from Morningstar, the Pier investment team regularly monitors each holding for the following exclusions:

o Controversies/poor governance
o Widespread mining or fossil fuel extraction
o Human rights abuse
o Firearms/Weaponry*
o Alcohol*
o Gambling
o Tobacco
o Adult Entertainment

*Given the challenges of clearly identifying exposures to those marked with an asterisk, they are limited to 5% exposures of the underlying investment and no more than 5% of the overall portfolio. For example, Tesco and Sainsburys sell alcohol but would not be excluded as alcohol sales are a fraction of total sales and are not the primary reason for visiting a supermarket. All other listed exclusions will not represent 1% or greater of any of the Purpose portfolios.

**Summary**
Purpose investment solutions are designed to meet the aspirations of investors who are conscious of their role in societal outcomes. Pier Investment Management has chosen to comply with the Financial Conduct Authority's Sustainable Disclosure Requirements (SDR). Whilst not all the holdings in the Purpose portfolio may have elected to obtain one of the four SDR 'labels', Pier will treat each holding as being in the scope of SDR regulation, UK Government bonds (Gilts) being the exception.