



# Risk Rating

Binary Passive Portfolios

May 2025

# Contents

Executive summary

Binary - Passive Defensive

Binary - Passive Cautious

Binary - Passive Balanced

Binary - Passive Growth

Binary - Passive Adventurous



# Executive summary

## Accumulation Risk Ratings

### Summary

We conclude the following Risk Ratings for the Binary Passive Portfolios:

Binary - Passive Defensive	2
Binary - Passive Cautious	3
Binary - Passive Balanced	5
Binary - Passive Growth	7
Binary - Passive Adventurous	9

### Assessment

The Defaqto methodology involves using both quantitative and qualitative inputs to risk rate a portfolio:

Input 1 - Forecast the portfolio's future volatility

Input 2 - Discussion with the portfolio manager

Since our profiles are overlapping and not contiguous, we have some discretion as to whether a portfolio is rated in the upper or the lower profile.

Our assessment has been considered by our Investment Committee, and has taken into account some of Binary Capital's suggestions when arriving at our Risk Ratings.

### Investment Committee summary

#### Stochastic (future) volatility

Our analysis has been based on holdings data provided by Binary Capital.

# Binary - Passive Defensive

Risk Rated on 12 May 2025

## Mandate

The Passive Defensive Portfolio aims to preserve capital while delivering modest returns through a combination of income and capital growth. The primary objective is capital preservation, targeting steady growth with minimal fluctuations in portfolio value. The portfolio invests in a mix of open-ended funds and ETFs, with a focus on equities and fixed income, particularly emphasising fixed-income exposure.

## Investment Committee Notes

We used fund holdings supplied by Binary Capital to calculate all stochastic measures. Through discussion with Binary Capital in which the Defaqto methodology and their approach were considered, both Defaqto and Binary Capital believe that this fund is most appropriately risk rated as a 2.

## Conclusion/Risk Rating



## Next review

August 2025

## Defaqto Risk Ruler



# Binary - Passive Cautious

Risk Rated on 12 May 2025

## Mandate

The Passive Cautious Portfolio aims to preserve capital while delivering modest returns through a combination of income and capital growth. Its primary objective is capital preservation, with a focus on achieving steady growth over time while maintaining low fluctuations in portfolio value. The portfolio invests in a mix of open-ended funds and ETFs, with a significant emphasis on fixed-income exposure, alongside equities.

## Investment Committee Notes

We used fund holdings supplied by Binary Capital to calculate all stochastic measures. Through discussion with Binary Capital in which the Defaqto methodology and their approach were considered, both Defaqto and Binary Capital believe that this fund is most appropriately risk rated as a 3.

## Conclusion/Risk Rating



## Next review

August 2025

## Defaqto Risk Ruler



# Binary - Passive Balanced

Risk Rated on 12 May 2025

## Mandate

The Passive Balanced Portfolio aims to deliver returns through a combination of capital growth and income. This portfolio adopts a balanced investment approach, targeting long-term capital appreciation by investing in a diversified mix of open-ended funds and ETFs, comprising both equities and fixed income.

## Investment Committee Notes

We used fund holdings supplied by Binary Capital to calculate all stochastic measures. Through discussion with Binary Capital in which the Defaqto methodology and their approach were considered, both Defaqto and Binary Capital believe that this fund is most appropriately risk rated as a 5.

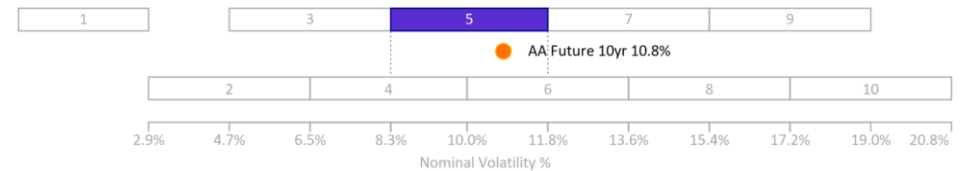
## Conclusion/Risk Rating



## Next review

August 2025

## Defaqto Risk Ruler



# Binary - Passive Growth

Risk Rated on 12 May 2025

## Mandate

The Passive Growth Portfolio aims to deliver returns through a combination of income and capital growth, with a strong emphasis on long-term capital appreciation. The portfolio adopts a balanced investment approach, investing in a mix of open-ended funds and ETFs, comprising significant exposure to equities alongside fixed income. While balanced, the strategy has a strong bias towards equities.

## Investment Committee Notes

We used fund holdings supplied by Binary Capital to calculate all stochastic measures. Through discussion with Binary Capital in which the Defaqto methodology and their approach were considered, both Defaqto and Binary Capital believe that this fund is most appropriately risk rated as a 7.

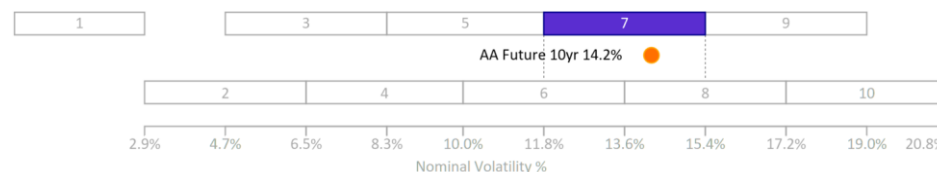
## Conclusion/Risk Rating



## Next review

August 2025

## Defaqto Risk Ruler



# Binary - Passive Adventurous

Risk Rated on 12 May 2025

## Mandate

The Passive Adventurous Portfolio aims to generate returns through a combination of income and capital growth, with a strong emphasis on long-term capital appreciation. This strategy invests in a mix of open-ended funds and ETFs, focusing on global equities to achieve its objectives.

## Investment Committee Notes

We used fund holdings supplied by Binary Capital to calculate all stochastic measures. Through discussion with Binary Capital in which the Defaqto methodology and their approach were considered, both Defaqto and Binary Capital believe that this fund is most appropriately risk rated as a 9.

## Conclusion/Risk Rating



## Next review

August 2025

## Defaqto Risk Ruler

