

# Working in partnership with financial intermediaries

Our range of services

For advisers and clients



 **Kleinwort Benson**

We respect every aspect of the client/adviser relationship and are committed to building a partnership with you.

# Welcome to Kleinwort Benson

Kleinwort Benson is one of the most historic names in British banking, with roots dating back over 200 years. For generations, we have worked in partnership with clients and their advisers, providing access to an extensive range of investment solutions.

With so much uncertainty in today's global economy, managing wealth requires experience and expertise, as well as continuous attention. In this brochure, we outline some of the key private banking and investment services of our award-winning investment team.

We look forward to working with you.

Eric Barnett  
Chief Executive Officer, UK

A trusted wealth manager since 1786, Kleinwort Benson offers a range of investment management services that are tailored to client needs.



## About Kleinwort Benson

### A strong heritage in investment management

For over 200 years we have been managing investments on behalf of private clients, trusts, charities and institutions.

### Traditional values, with an entrepreneurial edge

We combine the best of old and new - traditional values of service and client focus, with an entrepreneurial approach to today's opportunities.

### A tailored approach

We offer a range of bespoke investment solutions in addition to our range of model portfolios, which offer exposure to Kleinwort Benson's investment philosophy and process.

### Working in partnership

Our success lies in the close working relationships we develop with financial advisers, adding value to the services they can offer their clients.

### Well-established Shareholder

Kleinwort Benson was acquired by the Societe Generale group in June 2016 and operates as an independent business until its full integration with Societe Generale Private Banking Hambros (SGPB Hambros). The combination of Kleinwort Benson and SGPB Hambros brings together two of the most recognised names in private banking in the UK and Channel Islands, with combined assets under management of £14.4 billion.

## Benefits of our services to you

We are committed to building a partnership with you and your adviser and we respect every aspect of that relationship. We offer a full range of investment management services which can be combined to match each investor's specific risk profile and the involvement they wish to have in managing their investment portfolio.

Our services include:

1. Discretionary investment services for investors who wish to outsource the management of their investments
2. Cash management
3. Lending
4. Structured investment solutions offering capital protection, yield enhancement, hedging or leverage
5. Regular information in a format that is easy to understand
6. Simple and transparent fee structures



Our success lies in  
the close working  
relationships we  
develop.



## Investment philosophy

At Kleinwort Benson, our core objective is to create, conserve and enhance the wealth of your clients.

In today's uncertain financial markets, managing investments has become an increasingly complex task. We believe it is our responsibility to protect the wealth of your clients and find prudent ways in which to grow it in order to achieve their objectives. To accomplish this, we are guided by three core investment principles:

### Getting the big decisions right

At Kleinwort Benson, we believe that active asset allocation is the primary determinant of portfolio performance. Accordingly, we devote a significant portion of our resources to determine the optimum asset class positioning within portfolios and constantly monitor these over time.

### Taking risk only when risk is likely to be well rewarded

We believe it is essential to only take risk when it has the best chance of being rewarded. Recognising that the risks and returns of different assets are not static over time, we seek to incorporate the most effective tools to measure asset valuations and estimate future outcomes.

### Avoiding large losses

We construct portfolios to withstand market stress scenarios and avoid large drawdowns. Recovering from large losses requires even larger gains and, unfortunately, investors may often decide to reduce their risk exposure at a time when risk is most likely to be well rewarded.

## Investment process

We believe it takes patience and discipline to implement an effective long-term investment strategy. At Kleinwort Benson, we use an objective process to evaluate investment opportunities, with a clear and structured approach for gathering information about the global economy and financial markets. This includes our asset allocation framework, which is directed by our Chief Investment Officer and Investment Policy Committee, who meet regularly to discuss the investment climate and adjust the allocations to each asset class.

To identify and evaluate opportunities in financial markets, we observe asset valuations, price momentum, investor sentiment and economic climate as indicators of future investment performance. This structured process is our proprietary 'VaMoS' framework, which is outlined below.

## VaMoS framework

### Valuation

Invest when assets are cheap and avoid them when they are expensive

### Momentum

Participate in positive trends and avoid negative trends

### Sentiment

Buy when investors are overly pessimistic and sell when they are overly optimistic

### Economic Climate

Invest in assets with a favourable economic climate and avoid those with an unfavourable economic climate



# Our services

## Discretionary investment management

Kleinwort Benson's discretionary investment management services are designed for advisers who would prefer to outsource the day-to-day management of their clients' investments. By utilising the expertise of our highly experienced portfolio management team, advisers can realise the priceless commodity of more time, time that can be spent helping clients to plan and achieve their future aspirations and goals.

## Our discretionary services

### Managed portfolio solutions

Our risk rated models offer a fully transparent portfolio provided via a variety of market-leading platforms and wrappers. With six models, including an income option, there is a solution to suit most risk appetites. Portfolios will provide exposure to equities, bonds, alternative assets and cash, sourced through whole of market fund-based investments with the added benefit of regular rebalancing. These models provide a cost effective way of accessing Kleinwort Benson's asset allocation models and provide exposure to our team's investment philosophy and process.

### Discretionary portfolio service

Using Kleinwort Benson's asset allocation models, our discretionary portfolios are designed to actively deliver the optimal return for a client's designated risk profile. With direct contact and ongoing reviews with a dedicated portfolio manager, this proposition is ideal for those who prefer a more service-driven approach. These portfolios will reflect our key investment views and conviction positions, as well as offering the ability to adjust the solution where necessary to fit individual circumstances more closely. Available for portfolios of £250,000 and above.

### Bespoke portfolio service

For clients who require a highly tailored approach or perhaps need a more precise mandate, our bespoke portfolio service offers exactly that. It is an ideal solution for clients with more complex circumstances including charities and pension schemes. Kleinwort Benson has significant experience in this area, and portfolios can be designed to meet individual objectives such as unique asset allocations, specific real return targets or ethical considerations. Available for portfolios of £3,000,000 and above.

## Lending

We can offer customised credit solutions across a range of assets. Our experience of clients' differing circumstances helps us to approach client lending requirements with a flexible and competitive service, with the ability to move quickly when it matters. Our most common lending is against property, which tends to be mortgages against prime residential property. In addition, we offer loans secured by investment portfolios held and managed by Kleinwort Benson or secured by matching cash deposits.

In certain circumstances we also look at commercial lending. We offer customised lending solutions across a range of other assets. Our rates are competitive, our administration efficient and we take decisions quickly.

## Other services

### Corporate advisory

We know that for many clients, their private business interests are an integral part of their overall wealth, which need to be managed in line with their personal assets. Our corporate advisory team gives your clients access to their own corporate advisory department, providing advice and support with equity and debt private placements, mid-market mergers and acquisitions, and co-investment in exclusive off-market opportunities.

### Private investment office

Our Private Investment Office is a team of family office professionals with a distinctive approach to managing and streamlining complex wealth. Managing family wealth has been our core business for over 200 years. By creating economies of scale, our team is able to offer you the expertise, services and infrastructure of a market-leading single family office, without the associated costs. We are experts at optimising wealth by helping you mitigate unintended risks and maximise return opportunities, thus empowering your investment decision making.

### Fiduciary services

We are a leading provider of trust services across the jurisdictions of Jersey, Guernsey and the United Kingdom. Our focus is on establishing structures for you that remain effective and efficient through their whole life. Our highly experienced team works closely with clients and advisers to build long-lasting relationships and we continue to be trustees of a number of family trusts and companies that we first established more than 50 years ago.

## Further information and contacts

For more information on any of the solutions outlined in this brochure, please contact:



### Leigh Philpot

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Leigh joined Kleinwort Benson in September 2006 and heads the team responsible for managing portfolios of collective investment funds. Leigh and his team are responsible for Kleinwort Benson's DFM (Discretionary Fund Management) offering, working alongside Financial Intermediaries to manage investment portfolios for clients. He is a Chartered Alternative Investment Analyst charter holder and a Chartered Fellow of the Chartered Institute for Securities and Investment. He is a holder of the Securities Institute Diploma and also holds a wide range of financial planning qualifications. Prior to joining Kleinwort Benson, Leigh worked for Ely Fund Managers (now part of Rathbones) and Killik & Co, the advisory stockbrokers.

Leigh has been selected as one of Private Asset Managers' top 40 under 40 - 2013. In 2012, he was recognised as one of London's leading lights in Private Client management by Citywire. Leigh is also a graduate of the 2009/10 Kleinwort Benson leadership development programme, run in association with CASS Business School.

## General risk information

The information in this publication is provided for information purposes only and does not take into account the investment objective, the financial situation or the individual needs of any particular person. It is not an offer to buy or sell any particular security or investment. This publication does not constitute advice. All potential investors should seek and obtain advice specific to their circumstances from a qualified financial adviser before making investment decisions.

The value of investments, and the income from them, may fall as well as rise and the investor may not get back the amount initially invested. Past performance does not guarantee future performance. Fluctuations in exchange rates may cause the value of investments denominated in currencies other than sterling to fall or rise. The effects of charges and an investor's personal tax circumstances may reduce any returns. Tax treatment depends on an investor's individual circumstances and may be subject to change.

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