

KLEINWORT HAMBROS

GROWTH AND INCOME

MODEL PORTFOLIO SOLUTIONS

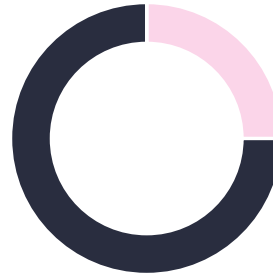
This document is designed for professional intermediaries only and is not intended for client use.

ASSET ALLOCATION RANGES

The allocation to asset class asset class will typically fall within these ranges:

Asset class	Range (%)
Cash	0 to 25
Government bonds	0 to 50
Credit	0 to 25
Equities	50 to 95
Real estate	0 to 12
Commodities	0 to 12
Alternative strategies	0 to 12

HISTORICAL REFERENCE ALLOCATION



- 25% Bonds
- 75% Global Equities
- Domestic Equities

11.4% Target risk (volatility)
6.8% Expected return (annual)

WHAT DOES THIS MODEL DO?

This model seeks to generate a blend of capital growth and income. The historical reference allocation above shows how a portfolio has typically been constructed to achieve the stated risk and return figures. However, the risks and returns of different assets are not static over time and historical returns are not a guide to future returns. This model therefore uses Kleinwort Hambros' dynamic asset allocation to invest in a wider range of asset classes in response to changing market and economic conditions. The model's current indicative asset class ranges are detailed above and may vary over time.

PERFORMANCE UPDATE

Over the quarter the portfolio appreciated 0.5%, behind its ARC peer group which returned 2.0%. Both the equity and bond allocations were the main drivers of returns. The equity performance was driven by the UK and European positioning. Alternatives were a significant detractor, offsetting most of this performance.

Markets rallied in January and February starting to look through the current inflation and tightening cycle, focusing on oversold quality growth stocks who looked attractive on a medium term view. This turned on its head in March with the failure of Silicon Valley Bank (SVB), Silvergate Bank and Credit Suisse. This raised fears that central banks had tightened too quickly and may have created a new banking crisis, leading to a significant reduction in interest rate expectation.

Global equity markets returned 4.8%. Though income focused stocks underperformed with MSCI World High Dividend yield declining 1.1%. The IA UK Equity Income sector rose 1.9% underperforming the MSCI UK's rise of 3.0%. Overall income struggled over the quarter, impacted by the sell-off in the banking sector. Despite these headwinds the equity exposure returned 1.6% overall. The best performances came from JPMorgan Emerging Markets Income (+3.9%), CT UK Equity Income (+3.2%), abrdn Europe Ex-UK Equity Income (+4.2%) and JOHCM Continental European (+8.2%). The biggest detractor was Aviva US Equity Income (-4.4%) impacted by its small cap value tilt.

The fixed income positioning benefited from the change in interest rate views, though due to the short duration positioning in the portfolio's government bond positionings muted this. However, our investment grade credit has a higher duration exposure from which it benefited, with Invesco Sterling Bond Fund (+1.9%) the best performer.

The alternatives were the principal drivers of the fund's underperformance. While they had performed well in January and February, they were impacted by the fallout from the sell-off in the banking sector during March. The worst performances came from GCP Infrastructure and Assura which fell 15.0% and 9.0% respectively.

Investors revised their interest rate expectations in the fall out from the banking sector issues; forming the opinion that we are now very near, or at, the end of the tightening cycle and could see rate cuts towards the end of the year. This is positive for our alternatives overall, reducing the likelihood of further NAV declines and confirming the value the current share prices offer; many are trading at significant discounts to NAV.

In January we added a new holding of Moorea Real Assets Fund, selling GCP Infrastructure to fund the purchase. In February we increased the equity allocation to 75%, adding to the US and European names. A new holding of Fidelity Japan Value was also added.

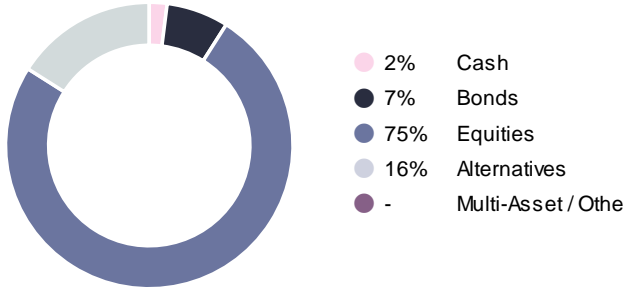
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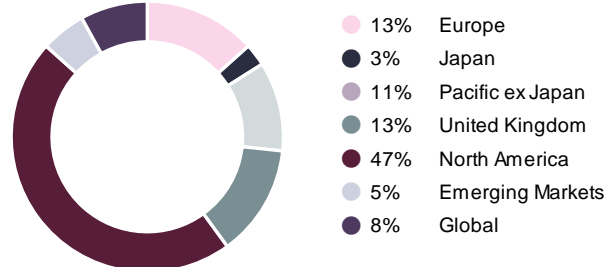
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CURRENT ASSET ALLOCATION



EQUITY ALLOCATION



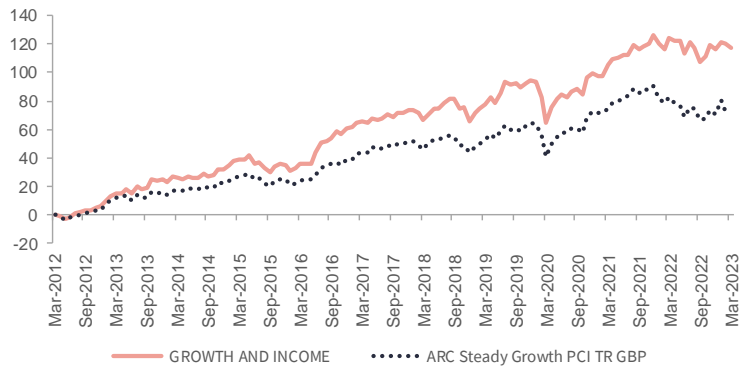
Source: Kleinwort Hambros as at 31 March 2023.

Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown.

TOP 10 HOLDINGS

	(%)
Lyxor S&P 500 ETF	10.0
SPDR® S&P US Dividend Aristocrats ETF	10.0
Schroder Asian Income Fund	8.0
Aviva Investors US Equity Income Fund II	7.0
Standard Life European Equity Income	7.0
CT UK Equity Income Fund	6.0
BNY Mellon Global Income Fund	6.0
Royal London UK Equity Income Fund	4.0
Loomis Sayles US Growth Equity Fund	4.0
Robeco BP US Premium Equities Fund	4.0

PERFORMANCE CHART



Past performance should not be seen as an indication of future performance. Performance net of underlying fund fees but gross of Kleinwort Hambros's annual management charge, platform fees and advisor charges. The deduction of such fees and charges will reduce the gross performance shown above.

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RISK RATING 4

PERFORMANCE

	YTD*	3 months*	1 year*	5 year*	Inception*
Growth And Inc	0.5	0.5	-3.2	30.7	117.3
ARC PCI**	1.6	1.6	-4.9	19.0	73.5
+ / -	-1.2	-1.2	1.7	11.7	43.9
Volatility***	-	-	9.4	10.2	8.6

	Apr 2018 to Apr 2019	Apr 2019 to Apr 2020	Apr 2020 to Apr 2021	Apr 2021 to Apr 2022	Apr 2022 to Apr 2023
Growth And Inc	7.0	-4.1	19.7	6.1	-1.6
ARC PCI**	4.2	-4.4	19.5	-0.3	-1.9

* to 31 March 2023

** ARC Steady Growth PCI TR GBP

*** Annualised data

Notes: model launch date 01/04/2012; performance net of underlying fund fees but gross of Kleinwort Hambros's annual management charge, platform fees and advisor charges; Latest quarter of ARC performance data are based on ARC estimates.

YIELD, FEES AND CHARGES

Yield (gross)	3.0%
Kleinwort Hambros annual management charge (via platforms)	0.35% plus VAT

Available Platforms:

Elevate
Novia
Transact
Standard Life



Past performance should not be seen as an indication of future performance. Investments may be subject to market fluctuations and the price and value of investments and the income derived from them can go down as well as up. The tax benefits and liabilities will depend on individual circumstances and may change in the future. The performance chart represents the cumulative performance since inception, against the cumulative return in %. Performance net of underlying fund fees but gross of Kleinwort Hambros's annual management charge, platform fees and advisor charges. The deduction of such fees and charges will reduce the gross performance shown above. Estimated yield is calculated based on distributed 12 month historic yield data and reflects the actual cash distribution yield, which may change

Source: ARC, Morningstar, Bloomberg and Kleinwort Hambros as at 31 March 2023.

Target Market

Target Market Category	Suitable for ... ✓	Not suitable for ... X
Client categorisation	Retail	-
Knowledge & Experience	Basic	-
Capacity for loss	Required	Clients who cannot bear loss
Risk tolerance	High	-
Objectives	<ul style="list-style-type: none"> ▪ Growth ▪ Income ▪ Long term 	<ul style="list-style-type: none"> ▪ Capital Preservation ▪ Short/Medium term
Distribution	Advised or Discretionary	Execution Only

Source: Kleinwort Hambros as at 31 March 2023.

Important Information

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Investments may be subject to market fluctuations and the price and value of investments and the income derived from them can go down as well as up. Your capital may be at risk and you may not get back the amount you invest. Changes in inflation, interest rates and the rate of exchange may have an adverse effect on the value, price and income of investments.

Council Directive (EU) 2018/822 amending Directive 2011/16/EU ("DAC 6") – Gibraltar Accounts

The arrangement described herein may be considered as a reportable cross-border arrangement according to Council Directive (EU) 2011/16 regarding disclosable arrangements under hallmark category D (as amended by The Income Tax Act 2010 (Amendment) (EU Exit) Regulations 2021) and, as such, may need to be reported to the relevant tax authorities in accordance with the regulations. Cross-border arrangements involving tax residents and/or intermediaries situated in Spain may still be subject to DAC 6 reporting under all hallmarks as foreseen in the applicable regulations.

SG Kleinwort Hambros Bank Limited, Gibraltar Branch does not provide tax advice and you should consult your tax advisors for any further assistance.

Council Directive (EU) 2018/822 amending Directive 2011/16/EU ("DAC 6") – UK Accounts

The arrangement described herein may be considered as a reportable cross-border arrangement according to Council Directive (EU) 2011/16 regarding disclosable arrangements under hallmark category D (as amended by The International Tax Enforcement (Disclosable Arrangements) (Amendment) (No. 2) (EU Exit) Regulations 2020) and, as such, may need to be reported to the relevant tax authorities in accordance with the relevant regulations.

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Marketing

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Compensation Schemes

The UK head office and Gibraltar branch of SG Kleinwort Hambros Bank Limited are covered by the Financial Services Compensation Scheme ("FSCS"). Investors and depositors may be entitled to compensation under the Financial Services Compensation Scheme ("FSCS") if Kleinwort Hambros cannot meet its obligations, depending on the circumstances of the claim. Most clients – including most individuals and businesses – are covered by the scheme, up to the limit of £85,000 per person. Full details of the scheme are available at: www.fscs.org.uk.

SG Kleinwort Hambros Bank Limited, Jersey Branch is a participant in the Jersey Bank Depositors Compensation Scheme

(the "JBDC Scheme"). The JBDC Scheme offers protection for eligible deposits of up to £50,000. The maximum total amount of compensation is capped at £100,000,000 in any five year period. Full details of the JBDC Scheme and banking groups covered are available at: www.gov.je/dcs.

SG Kleinwort Hambros Bank Limited, Guernsey Branch is a participant in the Guernsey Banking Deposit Compensation Scheme (the "GBDC Scheme"). The GBDC Scheme offers protection for "qualifying deposits" up to £50,000, subject to certain limitations. The maximum total amount of compensation is capped at £100,000,000 in any five year period. Full details are available at: www.dcs.gg. For further information about the schemes (including the amounts covered and eligibility to claim), please contact your Private Banker.

Jersey and Guernsey do not have compensation schemes in relation to investment services. However UK-regulated mortgage business conducted by SG Kleinwort Hambros Bank Limited is covered by the FSCS if you were resident in the UK at the time the service was provided.

Legal and Regulatory information

This document is issued by SG Kleinwort Hambros Bank Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK. The company is incorporated in England & Wales under number 964058 with registered office at One Bank Street, Canary Wharf, London E14 4SG. Services provided by non-UK branches of SG Kleinwort Hambros Bank Limited will be subject to the applicable local regulatory regime, which will differ in some or all respects from that of the UK. Please see the Information Documents on our website for further information: <https://www.kleinworthambros.com/en/important-information>.

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