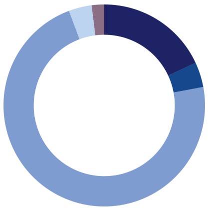
Wealth Management

Sustainable Growth

Sustainable Model Portfolio Service

February 2023

Asset allocation



Fixed interest	18%
UK equity	4%
Overseas equity	72%
Alternatives	4%
Liquidity strategies	0%
Cash	2%

Top 10 holdings

Lazard Global Sustainable Equity Fund	7.81%
Janus Henderson Global Sustainable Equity	7.69%
AB Sustainable US Thematic Equity	7.55%
Morgan Stanley Global Sustain	6.93%
Stewart Investors Worldwide Sustainable	6.45%
Schroder Global Sustainable Value	6.11%
Stewart Investors Asia Pacific Leaders	5.74%
Ninety One Global Environment	5.68%
Sparinvest Ethical Global Value	5.27%
Impax Asian Environmental Markets	4.94%

Portfolio information

Launch date	1 November 2018
Minimum cash holding	2%
Annual management charge	0.20%
Ongoing charge figure	0.64%

There will be an additional 0.25%pa charge (no VAT) if LGT Wealth Management are asked to act as custodian and a third party platform is not used.

Portfolio description

This portfolio looks to achieve capital growth in excess of inflation, whilst supporting inclusive economic development by investing in more environmentally and socially sustainable business practices. The portfolio will look to do this by investing in a diversified range of funds, which allocate capital to sustainable themes, such as healthcare and social housing, financial inclusion and education, the circular economy and renewable energy. The portfolio is diversified across a range of asset classes with a medium allocation to funds investing in equites (expected to be no greater than 85%) and other risk assets. Target volatility: 8% - 13%

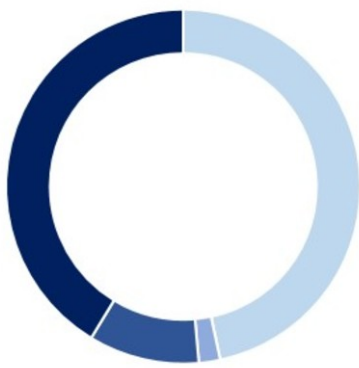
United Nations Sustainable Development Goals

Our sustainable investment pillars

Portfolio pillar mapping

As part of the LGT Wealth Management Sustainable Model Portfolio Service, we have developed four sustainable investment pillars. These pillars encompass investment themes and the related the United Nation's Sustainable Development Goals (UN SDG), which they aim to support. Two of the pillars target social themes and two target environmental themes. This allows the translation of a framework based on a global, wide-reaching social and environmental change into an investable universe of ideas.

In order to better understand the thematic exposure of the portfolios, we have aligned the underlying funds to our sustainable pillars.



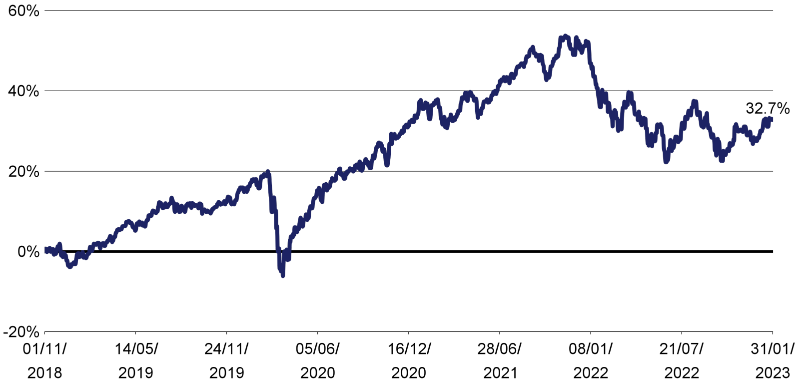
Key

Healthcare and societal wellbeing	48%
Financial inclusion and education	2%
Circular economy and resources	7%
Climate and Enviromental action	43%

Monthly investment update

Markets have got the year off to a positive start as market sentiment showed signs of improving. Two major themes of 2022 were inflation and the knock on effect to central bank policy, and we see this continuing through this year as central banks remained a big contributor to market behaviour during January. Over recent months, we have seen the early signs that inflation appears to be peaking and a period of disinflation may now be beginning in some regions. The market took the commentary from the US Federal Reserve Chair, Jerome Powell, as bullish as he talked to this disinflationary process and abstained from pushing back on the markets expectations for monetary policy over the coming years, something which has featured firmly in central bank comments for some time now. One of the main risks that remain for the US in particular, rather ironically, is the stubborn strength of US economic data, with demand for labour still far exceeding supply and recent employment data indicating that the tight labour conditions will take further policy action to unwind. This caused markets to pause for breath and price in a slightly higher terminal interest rate. Policy risk will remain elevated and we continue to monitor our factor risks within portfolios to effectively navigate the coming year. We have also entered another earnings season, reflecting what most of us were already aware of, which is that inflation is starting to bite and fall through the corporate margins and consumer purses but the number of companies beating analysts expectation remains in line with historic levels. We retain our preference for high quality businesses with defendable business models and healthy exposure to more defensive industries such as healthcare.

Investment growth



Source: Morningstar

	As at end of January 2023
1 month	3.48%
3 month	5.05%
6 month	-0.56%
1 year	-3.86%
3 year	14.68%
	Target
Volatility	8 to 13%
Return	6 to 8%
Potential drawdown	-19%
	Yield
Assumed yield	0.95%
Dividend	80%
Savings	20%

Where targets are given, these are for indication purposes only; the actual figures achieved could be more or less than the ranges given. Source: Morningstar. Net of underlying fund costs, gross of all other charges. *Source: Figaro. Fixed income considered saving income, all other asset classes (bar cash) considered dividend income.

Important information

LGT Wealth Management's fees for the management of model portfolios should be VAT exempt and it treats such fees accordingly. However, the firm is aware that the VAT liability of model portfolio management services is due to be reviewed by HM Revenue & Customs. If it is determined that such services should be subject to VAT, it will be necessary for LGT Wealth Management to add VAT to its fees.

The performance of actual portfolios linked to this Model Portfolio may differ from the performance of the Model Portfolio shown herein due to certain funds contained in the Model Portfolios not being made available for investment into actual portfolios by some investment platforms, the variation in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits on the investment platform.

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