Cornerstone Passive Growth 1

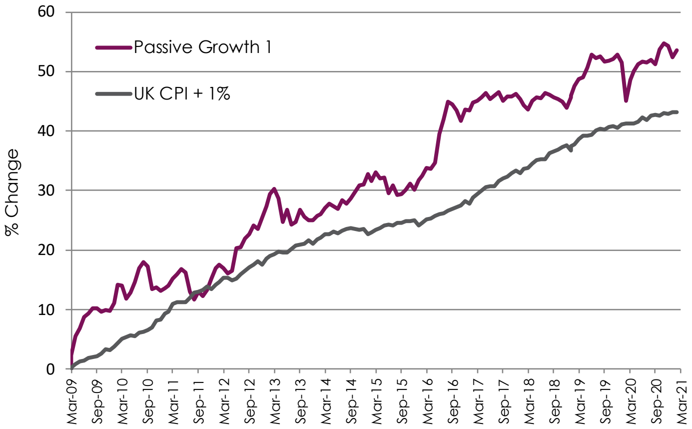
April 2021 Factsheet

All data as at 31 March 2021

Charles Stanley

For authorised intermediaries and professional investors only

Performance



Top ten holdings

FUND NAME	%
L&G Sterling Corp Bond Index C Inc	15
Vanguard UK Short Term Investment Grade Bond Index Fund Inc	14
Invesco US Treasury Bond 7-10 Year UCITS ETF GBP H Dist	14
iShares GBP Corp Bond 0-5yr UCITS ETF	8
Vanguard Gl ShortTerm Bd Idx Inst Plus GBP Hgd Inc	8
SPDR Barclays 0-5 Yr Sterling Corporate Bond ETF	6
Fidelity US Quality Income UCITS ETF	5
iShares $ TIPS 0-5 UCITS ETF GBP Hedged	5
L&G Global Inflation Linked Bond £ Hedged C Inc	4
SPDR S&P US Dividend Aristocrats ETF	4

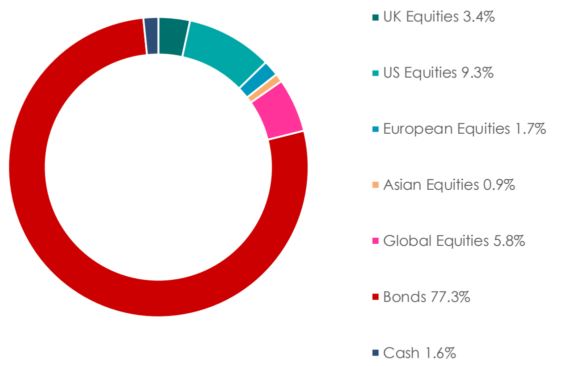
Portfolio characteristics

EXPECTED RISK < 0 **1** 2 3 4 5 6 >

Benchmark	CPI + 1%
Yield	1.8%
Annual Management Charge	0.20%
Total Ongoing Charges*	0.34%
Launch Date	31/03/2009
Typical Growth/Defensive Split	10/90
Typical Max Loss	5%

* Total Ongoing Charges includes Charles Stanley's annual management fee (including VAT) and also any associated underlying asset charges.

Asset allocation



Performance (%)	1 month	1 year	3 years	Mar-19 - Mar-20	Mar-18 - Mar-19	Mar-17 - Mar-18	Mar-16 - Mar-17	Mar-15 - Mar-16	Since Inception
Passive Growth 1	**0.8**	**5.8**	**6.9**	**-1.7**	**2.8**	**-1.0**	**8.4**	**0.6**	**53.6**
CPI + 1%	0.2	1.5	7.2	2.7	2.8	3.8	3.3	1.3	43.7

Main objective

The investment objective for the Cornerstone Passive Growth 1 Model Portfolio is to provide a long-term total return of up to one percent above the Consumer Price Index (CPI PLUS 1%). Although, the performance of the model portfolio is not intended to track the rise (or fall) of any specific index.

Risk profile

This Portfolio targets a low risk & return, designed for investors who could not tolerate a loss of more than 5% in one year but understand & accept that this could be more in extreme market circumstances. The Portfolio will not be invested in asset classes which are regarded as high risk & it is not hedged, therefore it will be exposed to currency fluctuations arising from any international investments.

Investment policy

The Passive Growth range of model portfolios employ Charles Stanley's dynamic asset allocation process coupled with low-cost investment in carefully selected Exchange Traded Funds (ETFs) and index-tracking funds. This approach means that each portfolio benefits from day-by-day management by investment professionals concentrating on a broad range of asset classes all over the world.

The portfolios are carefully constructed using this wide range of asset classes to meet each model portfolio's stated risk benchmark. Detailed back-testing and performance simulations are used to verify that the model is likely to meet the risk and return benchmarks.

The value of investments, and the income derived from them, can fall as well as rise and may be affected by exchange rate variations. Investors may get back less than invested. Past performance is not a reliable guide to future returns.

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Investment Team

The model portfolios are managed by the Charles Stanley Asset Management Division. The team of portfolio managers and analysts have extensive experience, drawing upon the expertise of investment specialists, strategists and economists both internally and externally. The research team looks for the best Index tracking funds from the available passive universe.

ESG Rating

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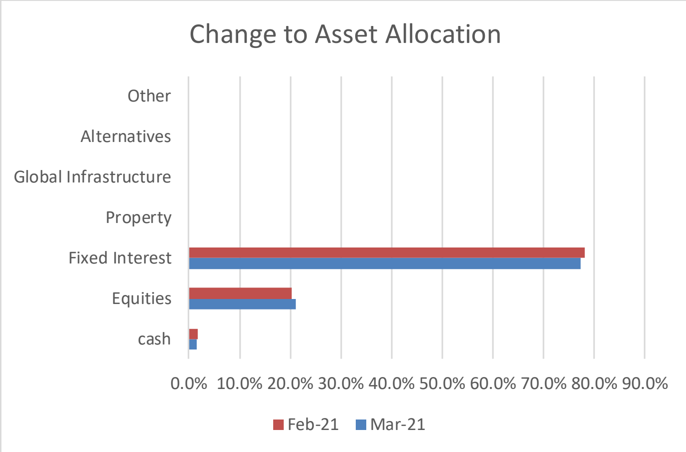
Global stock markets continued to recover from last year's pandemic-related sell-off. Indices such as the US benchmark S&P 500 hit new all-time highs, as hopes mounted that lockdown restrictions in major economies will be eased soon.

Two things stood out for the month of March – rising US Treasury yields and widely-divergent, regional equity-market performance. The sharp rise in bond yields and the dispersion of equity returns have been driven by the same dynamic. With the US economy reopening relatively swiftly, higher bond yields have also been inextricably linked with the US administration's fiscal stimulus and infrastructure spending proposals. However, what has been bad for bondholders has been good for holders of cyclical sector shares, which have a high weighting in the (US) Dow and European equity indices. Elsewhere, long-duration, secular-growth stocks – in particular technology – generally fared less well in a rising-rate environment. Also, Asian and emerging markets were under relative pressure from less-favourable capital flows due to higher US rates and upward pressure on the US Dollar.

From a global equity perspective, the overarching themes are strong growth, rising inflation and pro-cyclical policy stimulus. This should be a cocktail for a further rise in bond yields and, perhaps most importantly for equities, a strong pickup in corporate earnings. Much of this growth will reflect favourable comparisons to weak figures last year. But, as we head through the year, high nominal GDP will align with a strong pickup in revenues and some improvement in corporate-pricing power should also boost profits. As ever, we are vigilant about the risks of higher inflation and a destabilising overshoot in bond yields.



As before, we continue to expect a cyclical, rather than structural rise in inflation, and for authorities to shift to yield-curve control should the bond-market environment become disorderly. Against this backdrop we retain a positive equity-market view at least until the summer.

In the US, the Federal Reserve policy meeting concluded on 17th March, with Chairman Jerome Powell repeatedly stressing that the central bank will not raise interest rates until the US economy shows tangible evidence it has fully healed from the fall-out from Covid-19. The yield on 10-year UK gilts ended the month just 2 bps higher at the 0.84% level, whilst the yield on the 10-year US Treasury bond ended the month around 33 bps higher at the 1.74% level.

No changes were made to the model in March.

Important Information

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This Cornerstone Passive Model Portfolio factsheet has been prepared for information purposes only. Performance is net of Charles Stanley investment management fees but not adviser fees nor platform costs. Any charges and fees applied by platforms and/or authorised intermediaries will be charged in addition to the charges shown. The Total Ongoing Charges Figure (TOC) is calculated on a periodic basis using a weighted average of the most recent publicly available Total Ongoing Charges for the underlying investments as at the date of the factsheet. This includes the underlying funds' Ongoing Charges Figure plus Transaction costs plus Incidental costs. Please note that whilst we endeavour to show all charges associated with specific funds, sometimes this is not possible due to the information not being made available by the fund provider. In such cases transaction or incidental cost information may be missing. The Indicative Yield is provided for guidance purposes only and is calculated on a periodic basis using a weighted average of the most recent publicly available income yields for the underlying investments. Yields for the underlying funds, and thus for the strategy, are likely to differ in the future. The Indicative Yield does not represent guaranteed income. Portfolios linked to this Model Portfolio may not exactly replicate the model due to the difference in timing of initial investment or rebalancing differences resulting from minimum transaction size limits on platforms. The management and rebalancing of this Model Portfolio does not take Capital Gains Tax into consideration. This factsheet has been prepared for information purposes only and does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units or shares. The information on which the document is based is deemed to be reliable. Charles Stanley has not independently verified such information and its accuracy or completeness is not guaranteed. Although Charles Stanley's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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