Fairstone Liontrust Income 3

Investment Aim

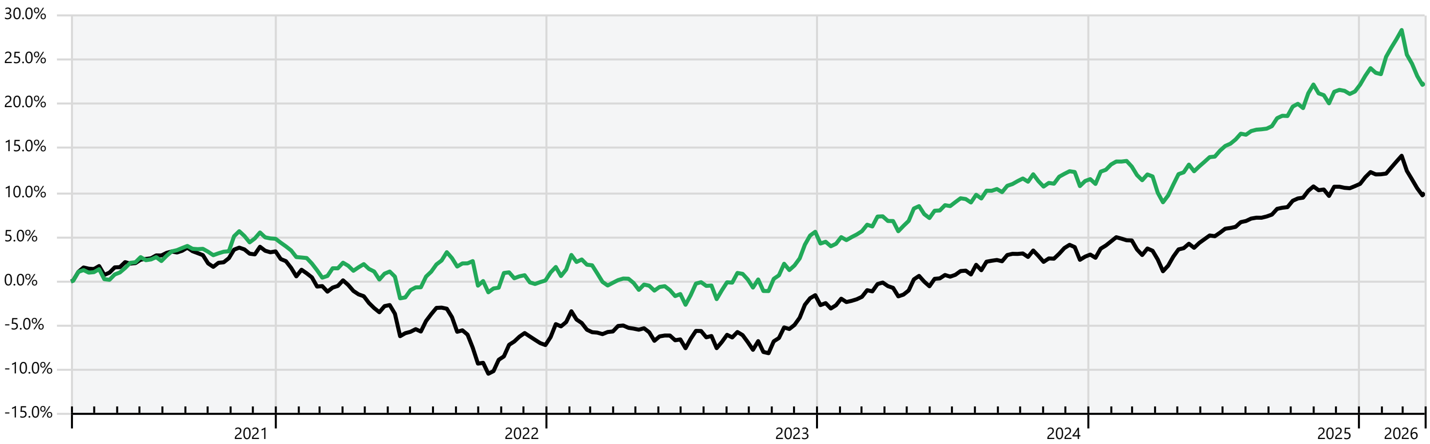
The portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This portfolio is managed to maximise risk adjusted returns within a target volatility range of 4.7% and 8.3% over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, we place this portfolio as 3.

Investment Growth

Time Period: 01/04/2021 to 31/03/2026



— Fairstone Liontrust Income 3 22.4% — IA Mixed Investment 0-35% Shares 10.0%

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Liontrust Income 3	9.97%	22.57%	22.40%
IA Mixed Investment 0-35% Shares	6.49%	16.58%	10.01%

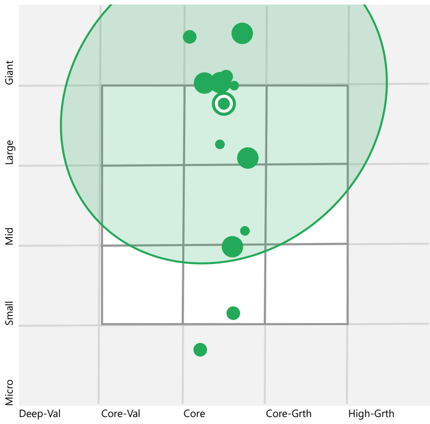
Calendar Year Returns

	YTD	2025	2024	2023	2022	2021
Fairstone Liontrust Income 3	0.41	9.55	5.36	5.49	-4.50	5.84
IA Mixed Investment 0-35% Shares	-0.89	8.02	4.37	6.06	-10.22	2.57

Portfolio Overview

Portfolio Manager	Liontrust
Investment Universe	Open Ended Funds
Yield	3.41%
Portfolio Start Date	31/05/2019
Last Rebalance Date	31/03/2026
Ongoing Fund Costs	0.29%
DFM Fee	0.25%
Total Portfolio Charge	0.54%

Investment Style Map



Risk Scale

3

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 4.7% and 8.3% over a rolling 10-year time periods.
This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

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Investment Adviser

John Hussellbee

Investment Adviser's Market Commentary

The US's attack on Iran was the main driver of markets over March, bringing the first quarter of 2026 to a close with a prevailing tone of uncertainty. Markets sold off early in March before stabilising somewhat towards the end of the month. Investors remain highly sensitive to news flow, with the "information" that drives markets one day often being effectively contradicted the next. Oil prices have spiked, reigniting concerns over a potential inflation surprise and, perhaps more importantly, the extent to which economic growth might falter. Key questions during the month were: are we heading for an oil price of $200 a barrel, a recession, stagflation or anywhere in between? Is this the Third Gulf War with the potential to escalate a great deal further or will it be over in less than another month? Will the conflict transform the politics of the Middle East and global supply chains?

It has been very difficult to answer these questions with any degree of certainty and to see through the fog of war. Instead, we take a step back and look at the world through the vision of 3D. We believe the current conflict is part of a longer-term 3D challenge: Disruption, Dislocation and Decoupling. And we believe the solution for your clients will come through taking a 3D approach to portfolio management: Diversified, Disciplined and Differentiated. While there is hope that the conflict will be short-lived and the ceasefire agreed at the start of April will turn into a long-term agreement, its immediate impact has been higher prices for energy and other essential commodities passing through the Strait of Hormuz. At this stage, it is far too early to draw firm conclusions about the ultimate economic impact of the crisis. This has led to uncertainty rising sharply, confidence falling, and risk assets have repriced accordingly.

Equity markets sold off during March, especially those regions dependent on energy imports. In sterling terms, Asia ex-Japan and emerging markets led the declines, falling -11.6% and -11.4% respectively, while Japan fell -10.7% and Europe ex-UK declined -8.7%. In sterling terms, the US fell less at -3.2% and UK equities were down -5.9%. Year to date, however, Japan, emerging markets and Asia ex-Japan remained positive, returning 3.4%, 1.7% and 1.2% in sterling terms respectively. The UK has proven to be resilient over the first quarter with a return of 4.1%, reflecting its strong start to January and February as well as a heavier weighting towards energy and commodity-linked sectors, which fared relatively well in March. By contrast, the US and Europe ex-UK were negative over the quarter, returning -2.5% and -2.1% in sterling terms respectively. These divergences once again highlighted the benefits of diversification.

Fixed income broadly did what it was meant to do in periods of market stress by cushioning the downside. Yields have responded to inflationary concerns by increasing, which puts pressure on these assets because their prices are inversely related to yield. Global aggregate bonds fell -3.1% over March in US dollar terms, while global corporate and high yield bonds declined -3.4% and -2.8% respectively. The relative resilience of fixed income pointed to the current environment not being a repeat of 2022. Then, inflation was a genuine shock after more than a decade of price stability. Today, inflation surprises have become more commonplace. While the current episode may yet prove inflationary, it does not represent the same seismic shift that caught markets off guard three years ago. Unlike during the Russia-Ukraine crisis, bonds have not sold off aggressively alongside equities, instead pricing in the risk of an inflationary impulse rather than a full-blown shock.

While uncomfortable, a 5% to 10% drawdown at some point during a year is not unusual. Although uncertainty remains elevated, and caution is warranted, global equity markets have undeniably cheapened. That said, if the current situation lingers, it could weigh further on confidence and growth. Even a near-term resolution in Iran could still be disruptive. March emphasises that diversification remains a sensible long-term strategy. Various markets, regions and asset classes are behaving very differently, and correlations are far from uniform. This is precisely the environment in which disciplined, diversified portfolios — and active differentiation from market indices — could add value.

Fund In Focus

Federated Hermes Asia ex-Japan

When investing in Asian equities, blending complementary strategies is essential to balance the region's potential with its inherent risks. Our approach combines the defensive, value-driven philosophy of Federated Hermes Asia ex-Japan with the high-conviction, quality-focused strategy of Fidelity Asia Pacific Opportunities, creating a diversified blend aimed at delivering consistent, long-term returns.

The Federated Hermes Asia ex-Japan fund follows a contrarian strategy, aiming to find quality companies trading at significant discounts to their intrinsic value. Its flexible
framework spans the quality spectrum, ensuring investments are underpinned by compelling risk-reward profiles. Capital preservation lies at the core of its approach, focusing on mitigating permanent capital loss rather than reacting to short-term volatility. This discipline is reflected in its largest positions, reserved for opportunities offering low downside risk and strong margins of safety.

In contrast, Fidelity Asia Pacific Opportunities takes a concentrated, high-conviction approach, targeting stable, low-leverage companies with strong return potential. The fund's ability to invest beyond traditional benchmarks allows it to uncover opportunities in under-researched or off-benchmark stocks, delivering a differentiated return profile. With the stock selection process supported by Fidelity's extensive global research network, the fund leverages deep market insights to identify high-conviction opportunities, benefiting from a disciplined and research-driven approach to portfolio construction.

Together, these strategies offer a well-rounded exposure to Asian equities. Federated Hermes provides stability and downside protection through its defensive, value-oriented approach, while Fidelity captures growth opportunities with its dynamic, quality-driven philosophy. Their minimal overlap in holdings and low style correlation enhance diversification, ensuring resilience across market cycles. This thoughtful blend of capital preservation and growth potential delivers...

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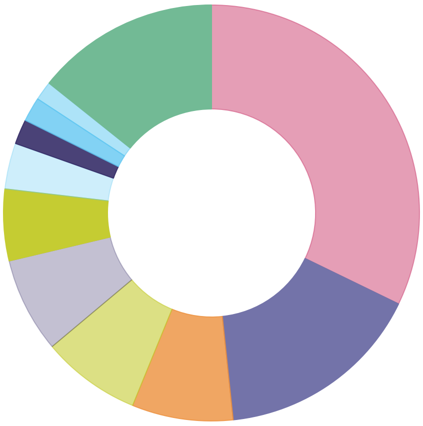
Asset Allocation

Portfolio Date: 27/02/2026

	%
Fixed Income	54.0
Equities	35.0
Cash	11.0
Total	**100.0**

Equity Breakdown

Portfolio Date: 31/03/2026



	%
United States	32.2
United Kingdom	16.1
Japan	7.9
Taiwan	7.7
China	7.4
South Korea	5.6
India	3.6
Australia	1.9
France	1.9
Hong Kong	1.5
Other	14.3
Total	**100.0**

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	**54.0**
iShares Corporate Bond Index (UK) D Inc	UK Corporate Bonds	11.0
Royal London Short Duration Gilts M Inc	UK Gilts	9.6
Liontrust GF High Yield Bond C11 AccGBPH	Global Fixed Income	8.5
iShares UK Gilts All Stks Idx (UK) D Inc	UK Gilts	7.3
HSBC Global Government Bond ETFS2CHGBP	Global Fixed Income	5.0
Liontrust GF Glb ShortDtdCorp C11AccGBPH	Global Fixed Income	4.8
Liontrust Sust Fut Mn Inc Bd B Grs Inc	UK Corporate Bonds	3.7
Man Sterling Corp Bd Profl Acc C	UK Corporate Bonds	3.7
Vanguard Glb Bd Idx £ H Acc	Global Fixed Income	0.5
Equities	—	**35.0**
Fidelity Index Emerging Markets P Inc	Emerging Markets Equity	8.0
Fidelity Index US P Inc	US Equity	5.3
Schroder US Eq Inc Mxmsr Z Inc £	US Equity	4.0
IFSL Evenlode Income B Inc	UK Equity	3.5
Schroder Asian Income L GBP Inc	Asia Pacific Equity	3.2
Liontrust UK Smaller Companies I Inc	UK Equity	2.4
BlackRock Continental Eurp Inc D Inc	European Equity	1.7
Fidelity Index Japan P Inc	Japanese Equity	1.4
abrdn Asia Pacific ex-Japan TrkrN£Acc	Asia Pacific Equity	1.4
CT American Smaller Coms(US) Z Inc GBP	US Equity	1.3
Fidelity Index Europe ex UK P Inc	European Equity	1.0
M&G Japan GBP I Inc	Japanese Equity	0.8
Baillie Gifford Japanese B Acc	Japanese Equity	0.6
Barings Europe Select I GBP Inc	European Equity	0.6
Cash	—	**11.0**
Fidelity Cash W Acc	Cash & Money Market	10.8
CASH	Cash & Money Market	0.3

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Target Market

Access to the portfolios is only available to investors on the recommendation of a financial adviser and it is the role of the adviser to determine the appropriateness and suitability of the portfolio to each investor's own personal needs, objectives and preferences.

Type of investors: Given the nature of non-complex UCITS funds the service is suitable for retail investors, professional clients and eligible counterparties. The service is predominantly designed for the use of retail investors.

Investors' knowledge and experience: Investors with basic, informed or advanced knowledge and experience of capital markets and investment risks and of funds and their characteristics.

Clients' financial situation with a focus on the ability to bear losses: Investors have a tolerance to fluctuations in capital invested and potential capital loss.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market: Due to the volatility of the markets in which the service may invest e.g. equity, bond and property markets the service has a risk and reward profile that is compatible with clients who have a risk tolerance aligned to the Investment Aim of the portfolio. Investors should be willing to accept price fluctuations in exchange for the opportunity of possible higher returns.

Clients' objectives and needs: Depending on the duration of the investment the portfolio may be suitable for clients who have a medium-term investment horizon (at least 5 years).

Clients who should not invest (the 'negative-target market'): This portfolio is deemed incompatible for clients who require full capital protection and/or are seeking on-demand full repayment of the amounts invested or who are fully risk averse/have no risk tolerance.

Important Notices

This factsheet is for illustrative purposes only. Investments linked to this model portfolio may not exactly replicate the model portfolio described due to differences in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits or fund availability on the platform or provider.

Please note that platform and financial advice fees are not included.

Where we have provided commentary on specific companies, this commentary is not investment research as defined by the Financial Conduct Authority and has not been prepared in accordance with legal requirements designed to promote the independence of research

Nothing in this document should be deemed to constitute the provision of financial, investment or other profession advice. Responsibility for assessing the suitability of financial products remains solely with the financial adviser.

The information in this document was prepared on the date shown below and is believed to be correct but cannot be guaranteed. The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

Fairstone Private Wealth does not offer tax advice; the tax treatment of investments depends on each investor's individual circumstances and is subject to changes in tax legislation.

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Important Notices – Liontrust Investment Partners LLP

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As of 31/03/2026