

### Investment Objectives

The AB SRI Balanced Income Model Portfolio will seek to deliver longterm capital growth by blending collective strategies and employing our proprietary rating and risk profiling systems. The equity allocation of the portfolio will be managed within our self imposed parameter of 40% - 85% and in line with a Alpha Beta Risk Profile of 4 - 6.

The AB SRI Balanced Income Portfolio only invests in funds that are sustainable and contribute positively to either the environment or society. The model selects investments that provide solutions to global issues such as climate change, biodiversity, water shortage, urbanisation, health and well-being, and social inclusion. The United Nation's Sustainable Development Goals are utilised to inform analysis and research on these themes, and the holdings in the model.

### Snapshot

Base Currency	Pound Sterling
12 Month Yield	4.11%
Ongoing Charge	0.71%
Management Fee (VAT where applicable)	0.25%
Portfolio Cost	0.96%

### Benchmark

Comparator Benchmark IA Mixed Investment 20-60% Shares

### Risk

Time Period: 01/06/2023 to 31/05/2024

	Sharpe Ratio	Std Dev
AB SRI Balanced Income	0.37	7.72
IA Mixed Investment 20-60% Shares	0.45	6.26

### Top 10 Holdings

Portfolio Date: 31/05/2024

Portfolio Weighting %	
8.00%	RLBF II Royal London Ethical Bond M Inc
8.00%	Rathbone Ethical Bond I Inc
7.98%	EdenTree Responsible & Sust Stlg B
7.96%	Aegon Ethical Corporate Bond GBP B Inc
7.92%	Sarasin Responsible Corporate Bond P Acc
7.88%	Liontrust Sust Fut Mn Inc Bd B Grs Inc
6.68%	Unicorn UK Ethical Income B Inc
6.50%	CT Responsible UK Income 2 Inc
6.50%	Montanaro UK Income GBP
6.32%	Janus Henderson UK Responsible Inc I Inc
73.74%	

The aggregate total may not add up to the sum shown due to Morningstar roundings.

### Investment Team

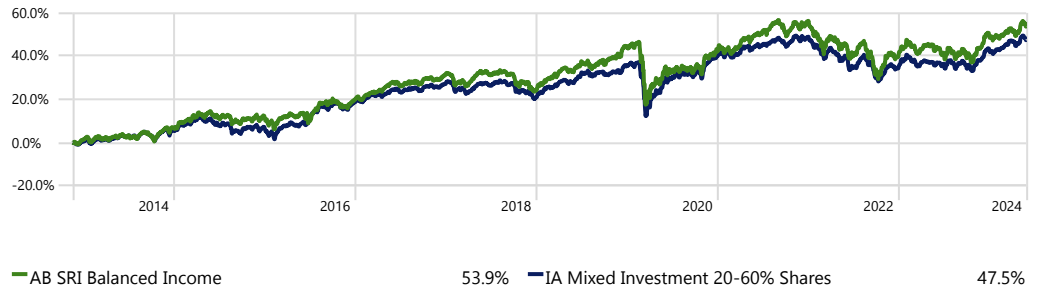
Investment Manager Alpha Beta SRI Investment Team

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### Investment Growth

Time Period: 22/11/2013 to 31/05/2024



### Trailing Returns

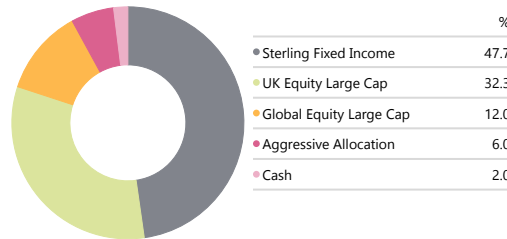
Data Point: Return

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception (22/11/2013)
AB SRI Balanced Income	2.91	6.86	7.68	3.04	15.89	53.93
IA Mixed Investment 20-60% Shares	2.55	6.60	8.46	2.30	15.46	47.50

The portfolio launched on 24/03/2009, however the data shown is from the first available past performance date, 22/11/2013.

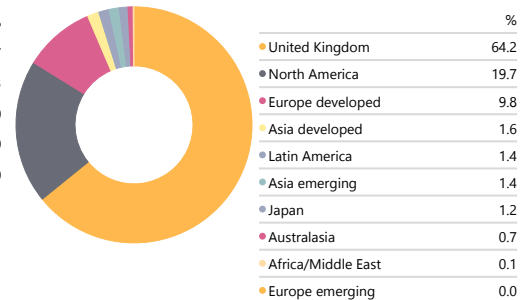
### Asset Allocation

Portfolio Date: 31/05/2024



### Equity Regional Exposure

Portfolio Date: 31/05/2024



### Manager's Commentary

In April, portfolio progress continued amid volatility, with uncertain market direction. Despite lower-than-expected US GDP, the economy outpaces others, though subject to adjustments. US CPI inflation plateaued while PCE inflation rose to 2.8%, impacting rate cut expectations to 1 or 2 from an initial 6. Tight labour market and robust business cycle persist. The Federal Reserve may cut rates, aiming to stimulate growth. Expected liquidity provisions include issuing Bills, reducing Reverse Repo facility drain, and increased Treasury spending is to further support the economy.

China is gearing up for an aggressive manufacturing-led export expansion amid significant debts and bankruptcies in the real estate sector, hampering post-pandemic recovery. Modern automated factories and cheap labour, supported by potential currency devaluation, will enhance market competitiveness. China's increased purchase of essential commodities like copper and lithium, along with significant gold acquisitions, hints at a Yuan devaluation. While Chinese equities have slightly risen in April, a notable breakout hasn't occurred yet. In contrast, Japan's economy is robust, with recent expansion gaining momentum. Yen weakness, spurred by the US-Japan interest rate gap, fuels export growth. Anticipated modest rate tightening by Japan's Ministry of Finance and Bank of Japan reflects their incremental approach.

In Europe, Germany sees mixed data with services sectors improving while manufacturing, particularly automotive, faces challenges. Eurozone inflation declines but remains slightly above ECB's 2% target, prompting potential rate cuts from Mrs. Lagarde ahead of the US Fed. UK reports pleasing inflation reduction towards Bank of England targets, with CPI dropping to 3.2% in March 2024. FTSE 100 hits an all-time high, while FTSE 250 enters an expansionary phase. Expectations for rate cuts from Bank of England Governor Mr. Bailey are high, reflecting broader efforts to support the economy amid global economic dynamics.

Geopolitical tensions, notably in the Middle East with escalations between Israel and Iran, and ongoing conflicts in Gaza and Ukraine, remain unpredictable. Despite significant human and material costs, market impact has been relatively muted, unless a broader conflict is expected imminently.

At portfolio level, the SRI Balanced Income model benefited from its UK equity exposure, with its best performing fund being the CT Responsible UK Income fund. One of the fund's largest holdings is AstraZeneca, a global, science-led, patient-focused pharmaceutical company. They are dedicated to transforming healthcare through the power of science, to innovate for people, society and the planet. AstraZeneca are pioneering new computational pathology methods, by combining digital pathology and big data with cutting-edge artificial intelligence. This enhances patient selection and enables more personalised treatments, with the ultimate goal of improving patient outcomes.

### Disclaimer

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