

### Investment Objectives

The AB Ethical Balanced Growth Model Portfolio will seek to deliver long-term capital growth and income by blending collective strategies and employing our proprietary rating and risk profiling systems. We employ a strict negative screening process in order to highlight investments that do not meet our ethical criteria.

Our process will screen for and seek to avoid investments in areas like Animal testing, Gambling, Intensive farming, Pornography, Tobacco & Weaponry. In addition to this, we seek to exclude companies that support oppressive regimes or operate in a way that does not respect human rights issues.

### Snapshot

Base Currency	Pound Sterling
12 Month Yield	1.42%
Ongoing Charge	0.78%
Management Fee (VAT where applicable)	0.25%
Portfolio Cost	1.03%

### Benchmark

Comparator Benchmark IA Mixed Investment 40-85% Shares

### Risk

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

	Sharpe Ratio	Std Dev
AB Ethical Balanced Growth	0.36	9.76
IA Mixed Investment 40-85% Shares	0.58	7.28

### Top 10 Holdings

Portfolio Date: 31/05/2024

	Portfolio Weighting %
Liontrust Sust Fut Eurp Gr 2 Net Acc	11.51%
Stewart Inv Gbl EM Sustnby B GBP Acc	9.94%
Brown Advisory US Sust Gr GBP B Inc	9.93%
Quilter Investors Ethical Eq R (GBP) Acc	9.60%
EdenTree Responsible & Sust Shrt Dtd B	7.15%
Rathbone Ethical Bond I Inc	6.90%
Aegon Ethical Corporate Bond GBP B Inc	6.89%
Jupiter Ecology I Inc	6.77%
EdenTree Responsible & Sust Gbl Eq B	6.50%
Pictet - Climate Government Bds I GBP	6.36%
<b>Total</b>	<b>81.54%</b>

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

### Investment Team

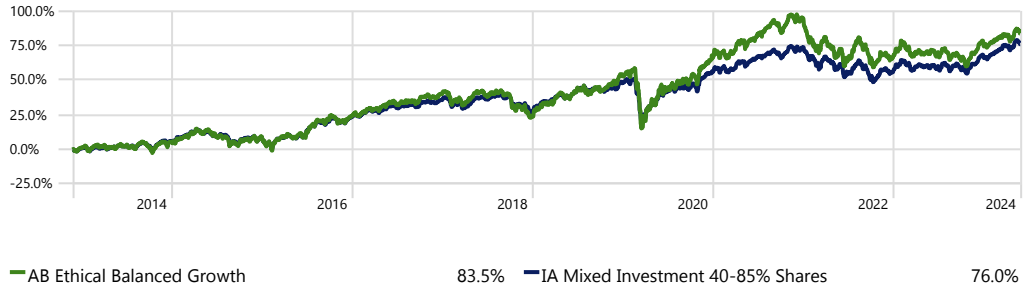
Investment Manager Alpha Beta SRI Investment Team

#### Please contact :

Andrew Thompson or Geoff Brooks on 020 8152 5120  
Northgate House, Upper Borough Walls, Bath BA1 1RG

### Investment Growth

Time Period: 28/11/2013 to 31/05/2024



### Trailing Returns

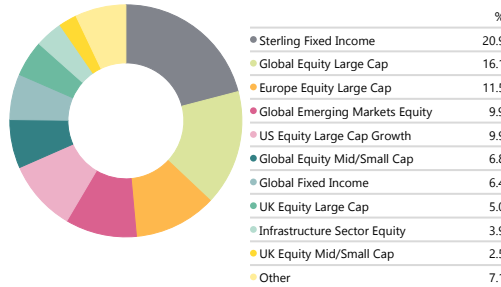
Data Point: Return

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception (28/11/2013)
AB Ethical Balanced Growth	2.08	7.92	8.37	2.89	33.75	83.53
IA Mixed Investment 40-85% Shares	3.11	8.91	10.63	7.83	27.97	75.98

The portfolio launched on 05/06/2009, however the data shown is from the first available past performance date, 28/11/2013.

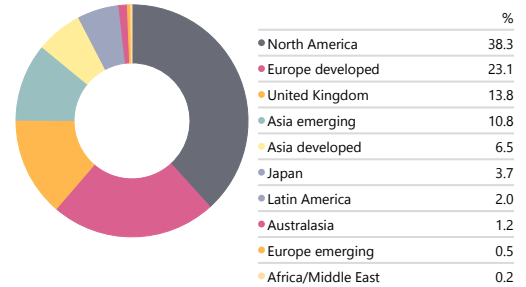
### Asset Allocation

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 Ethical Balanced Growth model benefited from its global equity exposure, with its best performing fund, being once again, the EdenTree Responsible & Sustainable Global Equity fund. One of the fund's largest holdings is Veolia, who provide solutions for Ecological Transformation. The Group designs and provides innovative solutions for water, waste and energy management. The four pillars of ecological transformation are, improving biodiversity, decreasing pollution, fighting climate change and optimising resource. Through its activities, Veolia helps to develop access to resources, preserve available resources, and replenish them.

#### Disclaimer

This communication is from Alpha Beta Partners a trading name of AB Investment solutions Limited. Alpha Beta Partners Limited is registered in England no. 10963905. AB Investment Solutions Limited is registered in England no. 09138865. AB Investment Solutions is authorised and regulated by the Financial Conduct Authority. This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. Opinions expressed, whether in general, on the performance of individual securities or in a wider context, represent the views of Alpha Beta Partners at the time of preparation. They are subject to change and should not be interpreted as investment advice. You should remember that the value of investments and the income derived therefrom may fall as well as rise and you may not get back your original investment. Past performance is not a guide to future returns. Further information is available on request, or on our website [www.alphabetapartners.co.uk](http://www.alphabetapartners.co.uk).