

PRIIPs KID for: Handelsbanken Alternatives Fund Limited (Class C Shares)

Key Information Document:

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name: Handelsbanken Alternatives Fund Limited (Class C Shares)
ISIN: GG00BD3C5N11
Manufacturer: Handelsbanken Wealth & Asset Management Limited
Contact Details: wealthandasset.handelsbanken.co.uk, or call +44 (0)207 045 2600 for more information

This key investor information is accurate as at 22 November 2023.

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type The Handelsbanken Alternatives Fund ("the Company") is a closed-ended investment company with limited liability incorporated in Guernsey and is regulated by the Guernsey Financial Services Commission ("GFSC").

The Company's Board of Directors ("the Board") has delegated responsibility for the management of the Company's portfolio to the Investment Manager (otherwise referred to as "the Manufacturer" within this KID), Handelsbanken Wealth & Asset Management Limited. The Board has delegated responsibility for the administration of the Company to the Administrator, Sanne Fund Services (Guernsey) Limited.

Objectives

To provide long-term growth through a diversified, global, multi-strategy portfolio which, amongst other things, provides access to specialist and/or alternative funds and vehicles which are considered to have an attractive medium to long term return potential. These specialist and/or alternative investments may target specific sectors, themes or geographies and the Company may invest directly or indirectly in private equity, hedge funds, property, alternative credit and infrastructure linked investments.

The Company may also selectively use derivative instruments, including options, for return generation and/or hedging purposes. The Company may also hold cash, money market funds, other cash-like instruments and/or appropriate fixed income securities as part of its portfolio. The Company may also from time to time invest a substantial portion of its assets in exchange-traded funds and other index funds.

Market risks are inherent in all investments that the Company may hold to varying degrees. Should the Company hold a large position in a particular investment that declines in value or is otherwise adversely affected, the return of the Company may be impacted.

Intended Investor

The product is classified as a non-readily realisable security ("NRRS") by the Financial Conduct Authority. Handelsbanken Wealth & Asset Management Limited has deemed that the product is only suitable for certified High Net Worth investors with net assets to the value of £1,000,000 or more and with sophisticated investor status. An investment in shares should be seen as long-term in nature and complementary to investments in a range of other financial assets.

Term

The Company has an indefinite life and as such there is no maturity date.

What are the risks and what could I get in return?



The risk indicator assumes you keep the product for 5 years (the 'recommended minimum holding period').

The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your product easily or may have to sell at a price that significantly impacts on how much you get back. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level and poor market conditions are unlikely to impact the capacity for you to receive a positive return on your investment.

This product does not include any protection from future market performance, so you could lose some or all of your investment.

This product has a long disinvestment notice period. For more information, please see the section titled 'How long should I hold it and should I take my money out early?'

Investors shall note that the product may be exposed to risks such as currency risk, market risk, liquidity risk and leverage or borrowing risk.

For further details of the Fund's risks please see the Prospectus which is available from the Company's website:

wealthandasset.handelsbanken.co.uk

PRIIPs KID for: Handelsbanken Alternatives Fund Limited (Class C Shares)

Investment Performance Information

The main drivers of the Company's performance will be the Investment Manager's degree of success in selecting appropriate investments for the Company's portfolio. In general, the portfolio will be comprised of positions which are expected to generate attractive returns in the medium to long-term through trading and/or investing in a range of strategies, including convertible arbitrage, merger arbitrage, commodity arbitrage, volatility arbitrage, equity and credit long/short and liquid private market credit.

Underlying performance drivers for the Company's portfolio are varied and can be impacted by a range of factors, including the skill of the investment managers of the underlying funds held by the Company ("underlying managers"), idiosyncratic factors impacting specific markets, liquidity trends as well as broader macroeconomic factors.

The Company does not track or compare itself directly to an index, benchmark, target or proxy. In general, the Investment Manager aims to build the Company's portfolio in order to achieve mid-single digit returns with a commensurate level of volatility in the medium to long-term. However, the Company does not have a formal return target and there is no minimum guaranteed level of capital to be returned.

What could affect my return positively?

Higher returns can be expected when the values of the positions selected by the Investment Manager for the Company's portfolio grow and through the Investment Manager's active management of the Company's portfolio. The performance of selected investments can be driven by a range of factors, including the skill of underlying managers, idiosyncratic factors impacting specific markets, liquidity trends as well as broader macroeconomic factors.

What could affect my return negatively?

Lower returns can be expected when the values of the positions selected by the Investment Manager for the Company's portfolio fall. Whilst the Investment Manager generally seeks to allocate to positions that are expected to generate returns that are broadly uncorrelated to broader financial markets, macroeconomic factors – such as large changes in interest rates, the liquidity environment and foreign exchange rates - can still have an impact on the performance of the Company's underlying investments in the short-term. The performance of the Company's underlying investments can also be negatively impacted by idiosyncratic events in the specific markets traded by underlying managers, as well as liquidity and/or other organisational issues with underlying managers.

Under adverse market conditions, an investor could suffer significant and prolonged, or even permanent, loss of capital. The maximum possible loss is 100% of the money invested in the Company. There is no minimum guaranteed level of capital to be returned. The Company's prospectus does not provide investors with any entitlement to require the Company to redeem their shares in the Company for cash or otherwise. The Board do, however, retain the discretion to allow redemptions by shareholders and, in normal market circumstances and subject to available liquidity in the Company's portfolio, the Board do exercise their discretion to allow redemptions on a periodic basis.

What happens if the manufacturer is unable to pay out?

If Handelsbanken Wealth & Asset Management Limited ("the Manufacturer") were to default, investors in the Handelsbanken Alternatives Fund ("the Company") would not face a financial loss as a result.

The Handelsbanken Alternatives Fund is not regulated by the FCA and investors may not have the benefit of the Financial Services Compensation Scheme and other protections afforded by the Financial Services and Markets Act 2000 (FSMA) in the event that the Handelsbanken Alternatives Fund is unable to pay any dividends due to you or if it were unable to pay any amounts due to you on the winding up of the Company.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Table 1: Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods, assuming performance as per the moderate performance scenario in holding periods greater than one.

Investment Scenarios (£10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (Recommended Holding Period)
Total costs	£397	£1,208	£2,040
Impact on return (RIY) per year	3.97%	3.97%	3.97%

PRIIPs KID for: Handelsbanken Alternatives Fund Limited (Class C Shares)

What are the costs? (continued)

Table 2: Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories.

One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00%	The impact of the costs of exiting your investment.
Ongoing costs	Portfolio transaction costs	0.01%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.88%	The impact of the costs that we incur each year for managing your investments.
Incidental costs	Synthetic Performance fees	1.08%	The impact of the performance fees. We take these from your investment if the product outperforms its benchmark.

How long should I hold it and can I take my money out early?

Recommended holding period: 5 years

The majority of the Company's investments are considered to have an attractive medium to long-term return potential. It is therefore recommended that the product is held for the long-term, which is widely accepted as 5 years or more.

It will take between 9 to 12 months to fully redeem and settle shares following an investor's redemption request. Redemption days are fixed quarterly dates, being the first business day of January, April, July and October. Investors should submit redemption requests to the Manufacturer; the Manufacturer is then required to give at least 90 calendar days' prior written notice to the Administrator in respect of a redemption day.

The Board retains the absolute discretion to cease offering the above discretionary redemption facility at any time or to modify it in such manner as they determine in good faith to be appropriate. In normal market circumstances, and subject to available liquidity in the Company's portfolio, 50% of the redemption proceeds will be paid no earlier than 90 calendar days after the relevant redemption day. The remaining 50% of the redemption proceeds will be paid no earlier than 180 calendar days after the relevant redemption day.

How can I complain?

If you have any complaints about the product, the conduct of the Manufacturer or the person advising on or selling the product, please contact the Manufacturer's Head of Compliance via the following contact details:

- Address: Complaints Department, Handelsbanken Wealth & Asset Management Limited, No.1 Kingsway, London, WC2B 6AN.
- Email: Compliance.hwam@handelsbanken.co.uk
- Tel: +44 (0)20 7045 1325

More information regarding complaints can be found on the manufacturer's website: wealthandasset.handelsbanken.co.uk/complaints

Other relevant information

Further information on the Company's investment policies, the types of assets in which the Company may invest, the markets in which it invests, borrowing limits as well as details of its management and administration arrangements can be found in the Company's Annual Report, Prospectus and Supplements.

Paper copies of these documents are available on request, free of charge, via the following contact details:

- Address: Product Management, Handelsbanken Wealth & Asset Management, No.1 Kingsway, London, WC2B 6AN.
- Tel: +44 (0)207 045 1396
- Email: ProductManagement@handelsbanken.co.uk