

Handelsbanken

Balanced Sustainable Multi Asset Fund Factsheet

Share Class B

Investment objective

The fund aims to deliver a total return (the combination of income and capital growth) that at the end of any five year period is the equivalent of achieving a total return of the Consumer Price Index plus 3% each year over that period, after all costs and charges have been taken. There is no guarantee that the objective will be met or that a positive return will be delivered over any time period and capital is at risk.

Investment policy

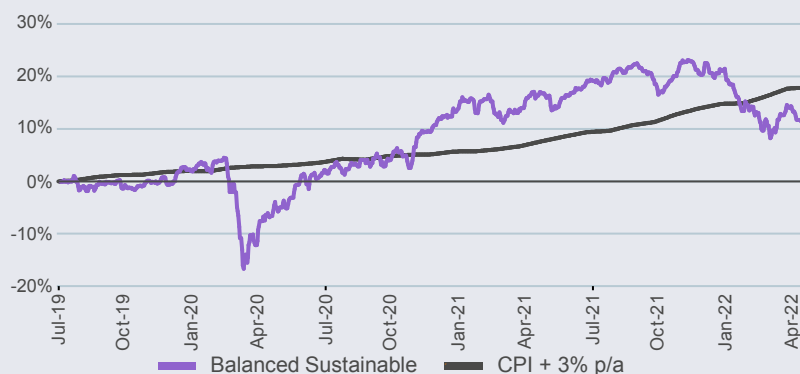
The fund aims to invest in a portfolio of investments that demonstrate positive Environmental, Social and/or Governance ('ESG') factors, and where applicable exclude investments that demonstrate negative ESG factors, in accordance with Handelsbanken's Sustainable Investment Policy. In addition, the fund will invest globally in a broad range of asset types such as equities (shares in companies), bonds (loans to either a company or government that pay interest), property, commodities, hedge funds and cash. The fund may gain exposure to these assets directly, by investing in securities issued by companies and governments, and indirectly, for example by investing in other funds. The fund may also invest in derivatives (investments whose value is linked to another investment, or to the performance of the stock exchange or some other variable factor, such as interest rates) for investment purposes and to manage the risk profile of the fund.

Fund details

Fund manager	Benjamin Matthews
Launch date	08 July 2019
Fund size	£190.9m
IA sector	Unclassified
Legal structure	Non-UCITS Retail Scheme
Historic yield [^]	0.20%
Pay dates	Last day of February
XD dates	31 December
Types of shares	Accumulation
ISA/SIPP	Yes
Fund currency	Sterling
Target return benchmark	CPI + 3%
Minimum investment	£5,000
Fund charges (annualised)	Ongoing charges figure: 2.06% (Annual management charge: 1.25%; third party fees and charges: 0.81%)
Fund codes (SEDOL)	B accumulation*: BJXS5C0

Performance

Balanced Sustainable vs CPI + 3% per annum since inception



Fund returns to 30 Apr 2022 (%)

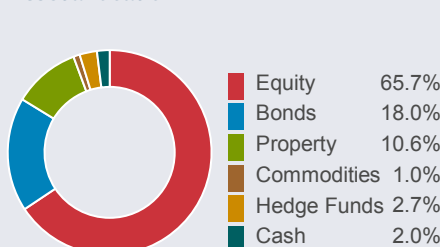
	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
Balanced Sustainable	-2.9	-1.9	-7.3	-4.7	-	-	11.2
CPI + 3% p/a	0.2	2.6	4.6	9.5	-	-	17.9
UK Equity	1.0	3.9	8.7	15.6	-	-	11.3
UK Bonds	-3.0	-6.5	-10.0	-8.7	-	-	-7.1

Discrete annual performance (%)

	31 Mar 22	31 Mar 21	12 Months to 31 Mar 20	31 Mar 19	31 Mar 18
Balanced Sustainable	1.0	26.1	-	-	-
CPI + 3% p/a	10.2	3.7	-	-	-
UK Equity	19.1	20.0	-	-	-
UK Bonds	-5.3	-5.7	-	-	-

Portfolio positioning

Asset allocation



Tactical deviation

Equity	4.8% Overweight	Bonds	-6.9% Underweight
Property	3.3% Overweight	Commodities	1.0% Overweight
Hedge Funds	-2.4% Underweight	Cash	0.2% Overweight

Equity breakdown

United Kingdom	22.0%
North America	21.9%
Japan	5.2%
Europe Ex-UK	6.5%
Pacific Ex-Japan	0.9%
Emerging Markets	9.9%

Bond breakdown

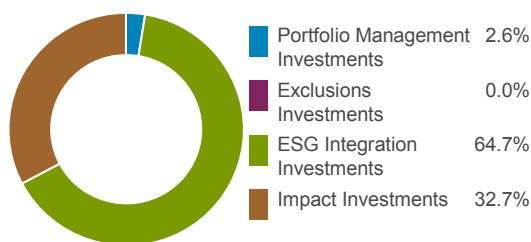
UK Government Conventional	3.7%
UK Government Inflation Linked	3.4%
Corporate Investment Grade [^]	3.0%
Corporate Sub Investment Grade	1.9%
Emerging Markets [^]	4.2%
Govt Developed Markets (ex-UK)	2.0%

Past performance is not a reliable indicator of future results.

*Charges / SEDOL variable by share class. Calculation basis: Sterling, total return, after all costs and charges have been taken.

Source: FactSet and Handelsbanken.

Composition of the Fund



The fund's investments are selected in accordance with Handelsbanken's Sustainable Investment Policy, which is available on our website. The Sustainable Investment Policy outlines Handelsbanken's definition of sustainable investing and details on what basis underlying instruments held in the fund are assessed and selected.

There are three pillars to the sustainable investment selection process: exclusions, Environmental, Social and Governance (ESG) integration and impact investing.

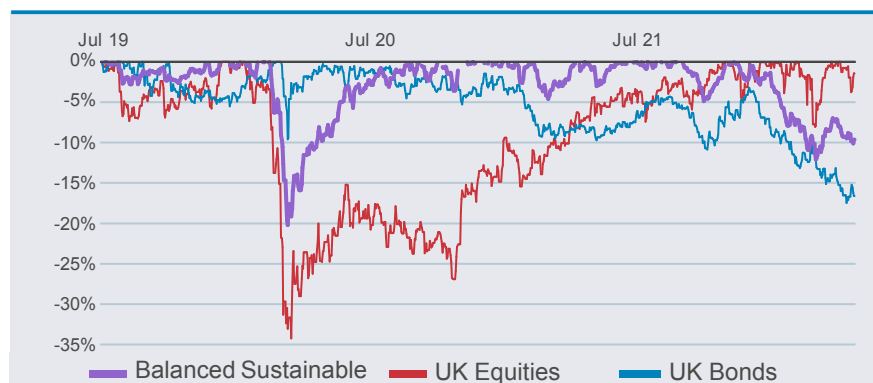
Exclusions: Will not invest in investments that focus on tobacco, alcohol or weapons or that engage in pornography or gambling.

ESG integration: Invest in companies, governments and other funds that have positive ESG factors, such as those that are involved in activities that benefit society and the environment.

Impact investing: Invest in theme-based investments which offer solutions to and/or relate to specific themes linked to sustainability.

Portfolio management investments: investments in cash, deposits, money market instruments and some derivatives, which are utilised as portfolio management investments. Whilst these investments are not classed as sustainable investments they help to manage the risk.

Downside risk (since inception)



Downside risk (drawdown) of a portfolio is the percentage drop from any peak in a portfolio value to any bottom. It can be applied directly to the size of the portfolio giving an 'estimate' of how much money you could lose at some intermediate point during the life of the investment strategy. Maximum drawdown is the maximum loss from a peak to a trough of a portfolio. UK Equities represented by MSCI United Kingdom Index (£, net total return), UK Bonds represented by BoA Merrill Lynch UK Gilts Index (£).

Holding type

Active [^]	Passive [^]
56.9%	32.5%
Direct [^]	Cash
8.5%	2.0%

Liquidity[^] exposure

<1 Wk	89.4%
2-3 Wk	0.0%
Mnth	0.0%
Qrt	10.6%
>1 Yr	0.0%

Top 10 holdings

UBS ETF MSCI USA Sri UCITS ETF	8.9%
UBS ETF (Ie) MSCI UK IMI Soc Res UCITS	6.9%
Bmo Responsible UK Income 2 Acc	4.2%
Liontrust UK Ethical Fund Class 2 Net Acc	4.1%
Robecosam Smart Materials Fund I GBP	4.0%
UBS ETF (Lu) MSCI Japan Soc Res UCITS	3.8%
91 UK Sustainable Equity Fund K Acc	3.8%
Baillie Gifford Positive Change Fund - B	3.7%
iShares Sustainable MSCI USA Sri ETF	3.5%
Guinness Sustainable Energy Fund - Y Acc	3.3%

Currency exposure

£ GBP	46.8%
\$ USD	25.2%
€ EUR	6.8%
¥ JPY	7.1%
\$ AUD	0.7%
RMB/HKD	3.7%
Other	9.6%

Risk data

Annualised volatility	10.8%
Maximum drawdown	-20.2%
Sharpe ratio	0.3

Important information

Past performance is not a reliable indicator of future results. The value of any investment and the income from it is not guaranteed and can fall as well as rise, so that you may not realise the amount originally invested. Where an investment is denominated in a currency other than sterling, changes in exchange rates between currencies may cause investment values or income to rise or fall. The portfolios may invest in funds which have limited liquidity, or which individually have a relatively high risk profile and/or are unregulated by the Financial Conduct Authority (FCA).

[^]**Glossary of terms:** **Active investments:** Where the fund manager uses their expertise to pick investments to achieve the fund's objectives rather than copying the investments in a market index; **Passive investments:** where the fund manager invests according to the stock or sector weightings of an index. Passive management is also referred to as 'indexing' or 'tracking'; **Direct investments:** Financial instruments issued by companies and governments themselves; **Liquidity:** The degree to which an investment can be quickly bought or sold on a market without affecting its price; **Historic yield:** reflects distributions declared over the past twelve months as a percentage of the fund's unit price, as at the date shown. Investors may be subject to tax on their distributions; **Investment Grade:** bonds issued by a company with a medium or high credit rating from a recognised credit rating agency. They are considered to be at lower risk from default than sub-investment grade bonds issued by companies with lower credit ratings; **Emerging markets:** Countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body.

The fund's target return benchmark is CPI (The Consumer Price Index) + 3%. CPI + 3% has been selected as the fund's target return benchmark as the fund aims to achieve a return (the money made or lost on an investment) that is 3% above the rate of inflation. The Consumer Price Index is used to measure the rate of inflation. Please refer to the fund's Investment Objective for details regarding how achievement of the target return benchmark is measured, and over what time period. The fund's performance may also be compared against UK Equities represented by MSCI United Kingdom Index (£, net total return) and UK Government Bonds represented by BoA Merrill Lynch UK Gilts Index (£). These comparator benchmarks have been selected as they assist in evaluating the fund's performance against the two principle asset classes that the fund may have exposure to. The share class of the fund was launched on 08 July 2019, performance figures do not exist before that time.

This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. Nothing in it constitutes advice to undertake a transaction, and professional advice should be taken before investing. Performance is as at the publication date of the document and shown after all costs and charges have been taken. The data source is FactSet and Handelsbanken. This document has been issued by Handelsbanken Asset Management. For Handelsbanken Multi Asset Funds, the Authorised Corporate Director is Handelsbanken ACD Limited, which is authorised and regulated by the Financial Conduct Authority (FCA). The Registrar and Depositary is The Bank of New York Mellon (International) Limited, which is authorised by the Prudential Regulation Authority and regulated by the FCA. The Investment Manager is Handelsbanken Wealth & Asset Management Limited, which is authorised and regulated by the FCA. Before investing you should read the Key Investor Information Document (KIID) as it contains important information regarding the fund including charges and specific risk warnings. The Prospectus, Key Investor Information Document, current prices and latest report and accounts are available from Handelsbanken Wealth & Asset Management Limited, or Handelsbanken ACD Limited: 77 Mount Ephraim, Tunbridge Wells, Kent, TN4 8BS or by telephone on +44 01892 701803.

Handelsbanken Asset Management is a trading name of Handelsbanken Wealth & Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority (FCA) in the conduct of investment business, and is a wholly owned subsidiary of Handelsbanken plc. Registered Head Office: No.1 Kinaswaw. London. WC2B 6AN. Registered in England No: 4132340. www.wealthandasset.handelsbanken.co.uk