

Investment Objectives

The portfolio aims to provide capital growth over the medium to long term, keeping within the prescribed volatility limits whilst investing, where appropriate, in low cost ETFs or Index funds, physically invested and with a low tracking error.

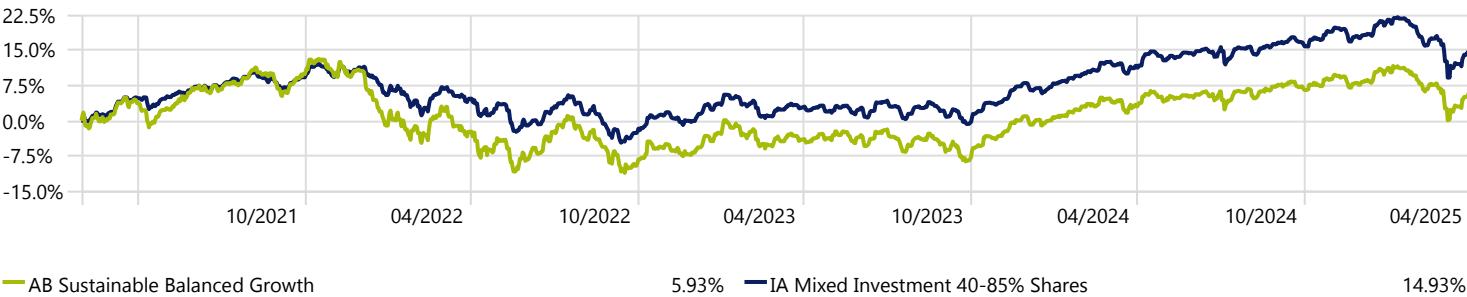
AB Sustainable Balanced Growth invests a minimum core of 80% in funds that are sustainable and contribute positively to either the environment or society, and that provide solutions to global issues. The sustainable models are aligned to the core model's risk first asset allocation, utilising both thoroughly researched active and passive instruments, whilst remaining a cost-effective solution to responsible investing.

Key Facts

Launch Date	01 March 2021
Base Currency	Pound Sterling
Benchmark	IA Mixed Investment 40-85% Shares
Model Portfolio Service Charge (No VAT Charged)	0.25%
Underlying Fund Costs	0.49%
Total portfolio Cost	0.74%

Investment Growth

Time Period: 01/03/2021 to 30/04/2025



Performance Summary

As at 30 April 2025	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception	YTD	2024	2023	2022	2021
AB Sustainable Balanced Growth	-4.77	-0.72	2.49	8.49	32.35	5.93	-1.61	6.66	8.31	-15.76	9.76
IA Mixed Investment 40-85% Shares	-5.43	-1.08	2.86	9.78	33.20	14.93	-2.29	8.88	8.10	-10.18	11.22

Performance data should be reviewed alongside the important risk information on page 2.

The portfolio launched on 01 March 2021. Performance data prior to this date is for illustration purposes only and is backed tested performance using the asset allocation of the portfolio at launch.

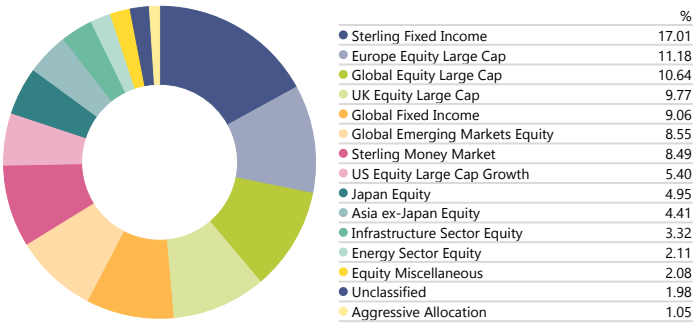
Top Holdings

Portfolio Date: 30/04/2025

	Portfolio Weighting %
Vanguard ESG Dev Eurp Idx £ Acc	11.18%
CT Responsible UK Equity 2 Acc	9.77%
Vanguard ESG Em Mkts All Cp Eq Idx £ Acc	8.55%
L&G Cash Trust I Acc	8.49%
Baillie Gifford High Yield Bond B Acc	5.83%
Brown Advisory US Sust Gr GBP B Inc	5.40%
iShares Jpn Eq ESG Scrn & Optd IdxUKDAcc	4.95%
iShares PacexJpnEqESGScrn&OptdIdxUKDAccf	4.41%
Janus Henderson Global Sust Eq I Acc	4.28%
Liontrust Sust Fut Gbl Gr 2 Net Acc	4.25%

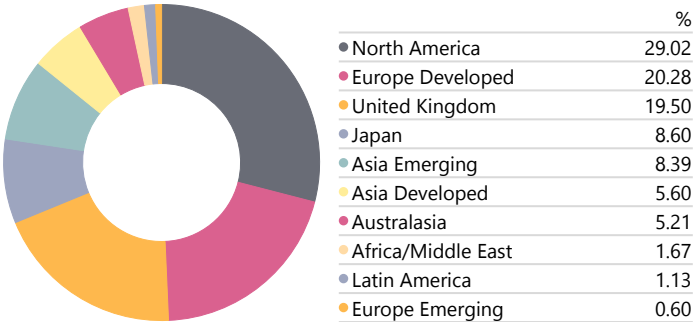
Asset Allocation

Portfolio Date: 30/04/2025



Equity Regional Exposure

Portfolio Date: 30/04/2025



## Manager Commentary

April delivered a sharp bout of volatility, with the S&P 500 briefly falling over 10% before recovering to end the month just 0.76% lower (–5.3% YTD). Volatility spiked to 60, compressing years of market stress into a matter of weeks.

President Trump's proposed tariffs on semiconductors, pharmaceuticals, and films may shift costs onto consumers and corporates, with the aim of reshoring manufacturing. This underscores the growing divergence between anti-growth and pro-growth policies, with potential consequences for economic momentum.

Early warnings from the GDPNow tracker were confirmed by a –0.3% Q1 GDP reading. A decline in equities created a negative wealth effect, dampening consumer confidence (86 vs 93.9). Government spending — once 33% of GDP under President Biden — has halved, intentionally slowing headline growth.

Inflation remains contained for now (core PCE at 2.6%), though producer prices indicate rising input costs. The Fed is expected to proceed cautiously, with rate cuts likely in 2025. Recession risk sits at around 40%, but we anticipate a slowdown, not a contraction, in nominal GDP growth. The Fed may also moderate its quantitative tightening to support market stability. Increased debt issuance should aid liquidity, especially in refinancing the \$10 trillion maturing debt pile. A weaker US dollar enhances the appeal of Treasuries for foreign investors and supports international equities, many of which remain attractively valued.

In Europe, relaxed fiscal rules are spurring defence and infrastructure investment. Equities have rallied, though higher bond yields (+50bps) highlight debt sustainability concerns. The EU suspended steel and aluminium tariffs to facilitate US trade talks, while progress in Germany's coalition lent some stability.

UK flash PMIs (Composite: 48.2) pointed to contraction, weighed down by tax increases and trade uncertainty. Yet, defensive UK stocks with strong dividends remain appealing.

Japan saw modest gains as services rebounded, though structural issues like debt (235% of GDP) persist. US-China tensions intensified, but China's 5.4% GDP growth supported a late rebound.

Global income and commodities funds posted gains, while special situations and US mid-cap funds recorded negative returns for the month.

We reduced our US equity exposure, favouring UK dividends, European value, and short-duration fixed income, positioning for a steadier H2 2025 while managing volatility.

At a portfolio level, the Sustainable Balanced Growth model benefited from its European equity exposure. Of its top holdings, the highest returning fund was the Vanguard ESG Developed Europe Index fund. One of the fund's largest holdings is ASML Holding, who specialise in the development and manufacturing of photolithography machines. It is the largest supplier for the semiconductor industry and the sole supplier in the world of extreme ultraviolet lithography (EUVL) photolithography machines that are required to manufacture the most advanced chips. ASML enable the world's top chipmakers to create microchips that are more powerful, faster and energy efficient. Semi-conductors are fundamental for the development of green technology.

## Platform Availability



## Important Information

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