![Bellevue Healthcare Trust]

Bellevue Healthcare Trust

MARCH 2025

Factsheet

Marketing document

Investment focus

Bellevue Healthcare Trust intends to invest in a concentrated portfolio of listed or quoted equities in the global healthcare industry. The investable universe for the fund is the global healthcare industry including companies within industries such as pharmaceuticals, biotechnology, medical devices and equipment, healthcare insurers and facility operators, information technology (where the product or service supports, supplies or services the delivery of healthcare), drug retail, consumer healthcare and distribution. There are no restrictions on the constituents of the funds portfolio by index benchmark, geography, market capitalisation or healthcare industry sub-sector. Bellevue Healthcare Trust will not seek to replicate the benchmark index in constructing its portfolio. The fund takes ESG factors into consideration while implementing the aforementioned investment objectives.

Fund facts

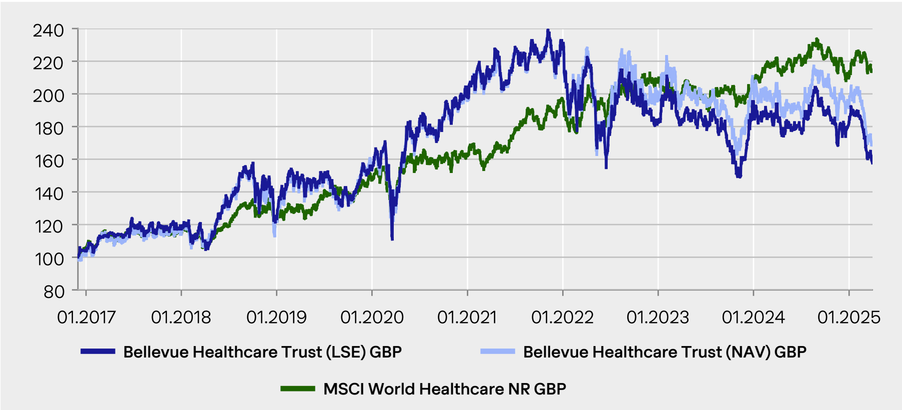
Share price	122.40
Net Asset Value (NAV)	131.30
Market capitalisation	GBP 291.25 mn
Investment manager	Bellevue Asset Management (UK) Ltd.
Administrator	NSM Funds (UK) Limited
Launch date	01.12.2016
Fiscal year end	Nov 30
Benchmark (BM)	MSCI World Healthcare NR
ISIN code	GB00BZCNLL95
Bloomberg	BBH LN Equity
Number of ordinary shares	237,950,409
Management fee	0.95%
Performance fee	none
Min. investment	n.a.
Legal entity	UK Investment Trust (plc)
EU SFDR 2019/2088	Article 8

Key figures

Beta	1.34
Correlation	0.64
Volatility	27.0%
Tracking Error	21.23
Active Share	66.35
Sharpe Ratio	-0.32
Information Ratio	-0.41
Jensen's Alpha	-9.27

Source: Bellevue Asset Management, 31.03.2025;
Calculation based on the Net Asset Value (NAV) over the last 3 years to 31 March 2025.

Indexed performance since launch



Cumulative & annualised performance

Cumulative

	1M	YTD	1Y	3Y	5Y	10Y	ITD
Share	-8.8%	-13.7%	-18.6%	-26.2%	16.6%	n.a.	57.7%
NAV	-10.2%	-12.0%	-18.3%	-23.0%	26.0%	n.a.	68.6%
BM	-4.7%	1.9%	-3.3%	9.9%	53.9%	n.a.	114.5%

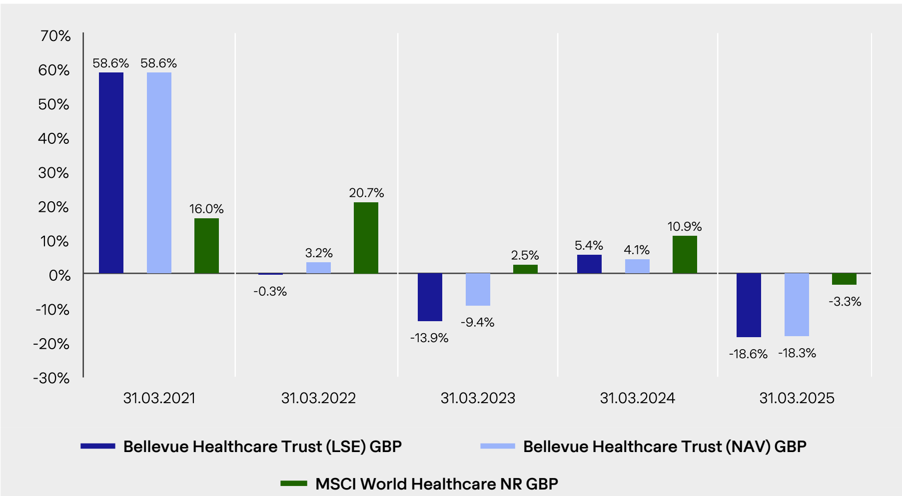
Annualised

	1Y	3Y	5Y	10Y	ITD
Share	-18.6%	-9.6%	3.1%	n.a.	5.6%
NAV	-18.3%	-8.3%	4.7%	n.a.	6.5%
BM	-3.3%	3.2%	9.0%	n.a.	9.6%

Annual performance

	2020	2021	2022	2023	2024	YTD
Share	29.1%	16.6%	-21.0%	7.0%	-6.5%	-13.7%
NAV	25.7%	15.2%	-11.1%	2.4%	-6.7%	-12.0%
BM	10.3%	20.8%	5.8%	-1.6%	3.1%	1.9%

Rolling 12-month-performance



Source: Bellevue Asset Management, 31.03.2025; all figures in GBP %, total return / BVI-methodology

Past performance is not a reliable indicator of future results and can be misleading. Changes in the rate of exchange may have an adverse effect on prices and incomes. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. The reference benchmark is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to the fund, thus the performance of a benchmark is not a reliable indicator of future performance of the Bellevue Healthcare Trust to which it is compared. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Welcome to our March update. Finding a suitable adjective that adequately describes March's machinations, and that is both acceptable in polite company and meets the consumer duty language requirements is a challenge in itself. Suffice to say, we have never experienced such chaos and confusion.

Even finding the time to write this amidst the market's April gyrations has been a challenge. It is not so much a case of the goalposts moving, as them disappearing and reappearing like a psychedelic hallucination. As we write this version of the missive, "reciprocal" tariffs have been delayed 90 days ex. China, but some kind of announcement on pharma is imminent (more of that below).

Investor sentiment toward many sub-sectors of healthcare currently sits at generational lows, largely because of the importance of the US market to the industry, and the myriad uncertainties over its future regulation. These, in turn, feed into valuations for both clinical stage and commercial assets, and the services built around them. For many, there are too many unanswerable questions right now.

As bleak as this may seem, it is usually darkest before the dawn and there a few reasons to be more optimistic, as we detail below. Don't give up on healthcare, it is the one constant throughout our lives and one for which demand is not swayed by sentiment. Only the most lunatic leader would risk damaging the supply of goods and services and we expect cooler heads to ultimately prevail.

Monthly review

The Trust

This was another incredibly challenging month for our strategy. Investors de-grossed broad equity exposure for fixed income, eschewed mid-caps in favour of the relative safety of large caps, and perceived healthcare as highly exposed to government risk.

Following the (ongoing) debacle of a ham-fisted FDA "re-organisation", investors seem to be applying significantly higher discount rates and/or lower probability of timely approval to pre-commercial assets in the therapeutics space and, concurrently, seeing lower levels of future R&D activity, which leads them to discount future growth from the Tools and Services sub-sectors.

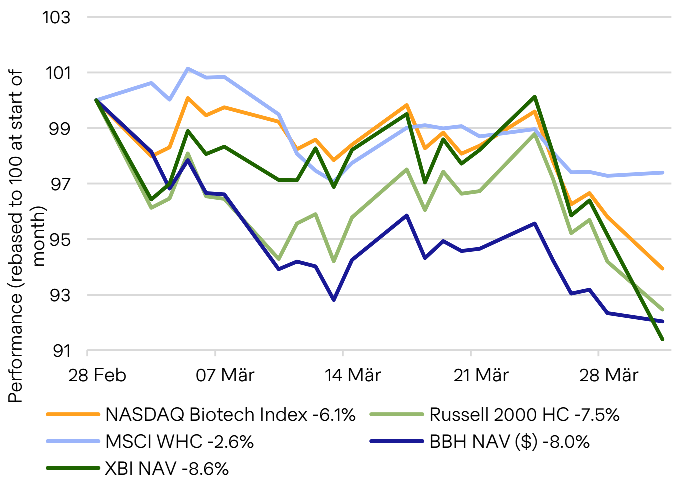
Perhaps because concerns over NIH funding and depressed share prices, investors are worried about companies being able to secure sufficient funding to continue with clinical development. All of these worries intersect to some degree.

Whilst one might see these fears as qualitatively rational, the magnitude of the implied changes and the ferocity of their imposition is very hard to comprehend, but isn't that the very definition of a market panic? Very early stage research is typically the primary investment thesis of very early stage private companies; we only invest in mid-stage clinical companies that are well past the basic research stage, so the relevance to public markets is somewhat tangential in our view.

Our strategy remains focused on innovative companies and disruptive technologies, which naturally inclines us toward mid-cap companies based in the US. Why is the US so important to this ecosystem? It is where 80% of healthcare VC dollars flow from and where most of the revenues and profits are generated, so there is a gravitational pull toward it for both early stage and commercial-stage companies; most disruptive innovations first come into the public market realm via US-listed companies..

During the month, the Trust's Net Asset Value consequently declined 8.0% in US dollar terms (-10.2% in sterling) to 146.26p, underperforming the total return of the MSCI World Healthcare Index, which declined 2.3% (-4.7% in sterling) by 565bp. The mid-cap focused Russell 2000 Healthcare Index declined 7.5% in dollar terms during March.

The evolution of the NAV throughout the month is illustrated in Figure 1 below. We again include the NASDAQ Biotechnology Index and XBI Biotech ETF to provide some additional context:



Source: Bellevue Asset Management, 31.03.2025

We think the market's mindset is amply illustrated by the divergent performance of the cap-weighted Nasdaq Biotechnology Index compared to the equal-weighted S&P Biotechnology ETF ("XBI"); the former is effectively dominated by a small group of very large commercial stage Biotech behemoths (Amgen, Biogen, Gilead, Vertex, Regeneron etc.). Whilst the overlap of names is very high, the market's disfavour toward smaller, earlier-stage/pre-commercial companies is evident the XBI declining 8.6% versus the NBI falling 6.0%, similar to what we saw in February.

More notably, the majority of this decline happened in the final few days of the month, which again is reminiscent of February, when the declines were also heavily weighted to the final third of the month. On March 24th, the XBI was still in positive territory for the month! As further context, Morgan Stanley's "pre-commercial biotech index" declined 12.6% in the final week of the month.

This all seems to be driven by policy angst around the Trump administration, with healthcare investors not only eying the incoming storm of "Liberation Day" (and we now all know how badly that went) but also the aforementioned challenges of damage to the FDA and the NIH grant system.

We do have a plan to try to insulate the portfolio from these multifaceted challenges whilst remaining within our stated investment approach of focusing on operationally geared healthcare innovation. Our thoughts on this are outlined at the end of this factsheet. Amidst this unfolding chaos, we have continued to execute this shift and it seems to be working thus far during April.

To this end, the portfolio saw four changes during the month: there were two exits from Medical Technology and two additions; one into Diagnostics and the other into Diversified Therapeutics. These changes further shifted the characteristics of the portfolio up the market capitalisation curve and also increased our ex-US exposure slightly. The portfolio remained at 34 active positions. Investors should expect further shifts throughout April and May.

Managed Care, which is essentially insulated from the tariff discussion, was the only sub-sector to make a material positive contribution during the month; with Healthcare IT very modestly in green as well. Focused Therapeutics was the worst performing sub-sector, followed by Medical Technology and then Diagnostics (the latter being something of a surprise as it too is essentially insulated from the tariff discussion).

The evolution of the sub-sector weightings is summarised in Figure 2 below, and we would make the following comments:

We reduced 21 positions, added to two and kept 12 unchanged. We continued to shift away from Biotechnology (Focused Therapeutics) toward Larger Pharma (Diversified Therapeutics) in order to balance out the factor characteristics of the portfolio and to dampen down volatility somewhat, in addition to building up a cash buffer that we intend to deploy in the aftermath of "Liberation Day" (April 2nd) and the "National Security Commission on emerging Biotechnology" Congressional report, which is expect on April 8th (discussed further below).

Whilst the nature of the holdings have changed slightly, all the companies within the portfolio align with the core investment thesis of providing products, technologies and services that will help transform the care delivery paradigm.

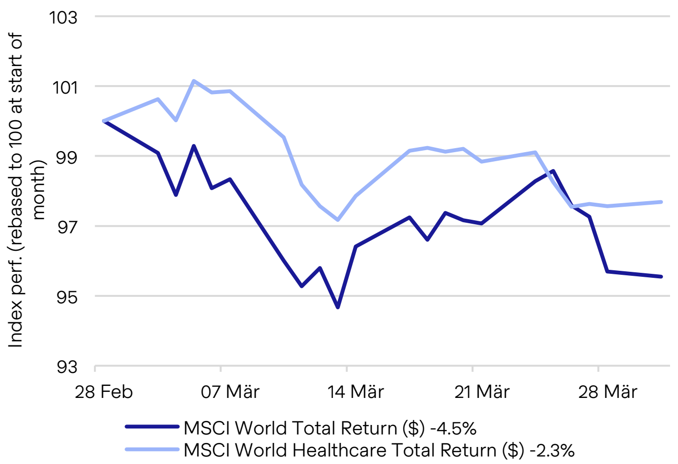
	Subsectors end Feb 25	Subsectors end Mar 25	Change
Diagnostics	15.3%	13.6%	Decreased
Distributors	3.3%	4.1%	Increased
Diversified Therapeutics	4.6%	9.3%	Increased
Focused Therapeutics	21.4%	18.3%	Decreased
Healthcare IT	1.3%	1.6%	Increased
Healthcare Technology	9.1%	6.0%	Decreased
Managed Care	5.5%	7.3%	Increased
Med-Tech	25.3%	24.3%	Decreased
Services	7.5%	8.7%	Increased
Tools	6.7%	6.7%	Unchanged
	100.0%	**100.0%**	

Source: Bellevue Asset Management, 31.03.2025

The share buyback programme was active again during the month and ~5.4m shares were repurchased. During March, the average share price discount to NAV narrowed slightly to 6.1%, as compared to 6.6% during February 2025. Following these portfolio changes and share repurchases, the cash balance increased materially from 2.2% of gross assets to 11.2%..

The Healthcare Sector

As noted previously, the MSCI World Healthcare Total Return Index declined 2.3% in dollar terms during March (-4.7% in sterling). The evolution across the month is as shown in Figure 3 below.



Source: Bellevue Asset Management, 31.03.2025

As one might expect, this was a material outperformance compared to the wider market – the MSCI World Total Return Index declined 4.5% over the same period (-6.8% in sterling), with healthcare's defensive characteristics amidst the recessionary risks of an aggressive tariff scheme being appreciated by investors.

That being said, one difference between March versus January and February is that Large-Cap pharma quickly lost its lustre as a safe haven. The Bloomberg World Pharma Index (which is a cap-weighted Index of 60 large pharma stocks across various geographies) declined 3.8% in March, having risen 9.2% over the first two months of the year. Trump continues to talk about Pharma tariffs and lamenting certain countries "stealing" the pharma manufacturing and tax base (Ireland in particular and Europe in general). This overhang is unlikely to clear quickly, as we outline in the following section.

The sub-sector performance is illustrated below and again illustrates the extent to which the tariff theme dominated performance. There are a few services that either are or have to be domestically focused; wholesalers (Distributors) , diagnostic labs (Diagnostics), hospital operators (Facilities) and health insurance (Managed Care) companies.

The match between cost base and revenues consequently leaves these sub-sectors outside the tariff discussion and thus it is no surprise to see them atop the performance table. As noted previously, the Diagnostics sector is dominated by companies with local operations (50% of the weighting is three companies focused on the US domestic market), so we would have expected that to have fared better.

	Weighting	Perf (USD)	Perf (GBP)
Facilities	0.9%	11.6%	8.9%
Managed Care	8.9%	9.3%	6.6%
Distributors	2.2%	6.1%	3.5%
Conglomerate	6.9%	1.0%	-1.5%
Healthcare IT	0.6%	-1.8%	-4.2%
Other HC	1.8%	-2.2%	-4.6%
Focused Therapeutics	7.7%	-3.0%	-5.4%
Services	1.8%	-3.2%	-5.6%
Med-Tech	18.8%	-3.8%	-6.2%
Diagnostics	1.1%	-3.9%	-6.2%
Diversified Therapeutics	40.9%	-4.2%	-6.5%
Tools	6.6%	-4.5%	-6.9%
Generics	0.7%	-5.4%	-7.7%
Dental	0.4%	-13.2%	-15.3%
Healthcare Technology	0.7%	-16.0%	-18.1%
Index perf		**-2.3%**	**-4.7%**

Source: Bloomberg/MSCI and Bellevue Asset Management, Weightings as of 28.02.2025, Performance to 31.03.2025

Healthcare Technology sits at the bottom due mainly to one Australian company (ProMedicus) which has a heavy US focus. Likewise, Align Technology in the Dental sector does its Aligner manufacturing in Mexico for the US market and is linked to consumer sentiment, which inevitably dragged the company down (although it is worth recalling how well demand for aesthetic dentistry held up during the pandemic which was the last time consumer spending and sentiment was challenged).

The generics sector is perhaps one of the most acutely sensitive to international trade policy. These companies derive most of their profits from sales into developed markets, source their active ingredients as cheaply as possible (i.e. Asia) and have wafer-thin margins at the best of times. Sandoz for example has ~25% of total revenues from North America and sub 5% EBIT margins. Not that we knew any of this in March, but punitive tariffs from China are simply not manageable so the worries were (and still are) entirely justified.

Tools continues to be weak on concerns over the fallout from the NIH grant-related uncertainties and ongoing biotech funding worries.

These cohorts are major buyers of laboratory consumables and equipment.

The US market under Trump – thoughts, fears and actions.

We are where we are, but where are we? One of the strengths of the Trust in such trepidation market conditions is that we are unconstrained in our weightings and can freely move around healthcare as we deem appropriate. In order to make the most of that, one needs to have an over-arching view of where, and where not, to be exposed. The last few weeks have left everyone with more questions than answers, so let us start with what we do know and then outline our conclusions from that:

1. US policy uncertainty is material and highly changeable:

- The notion that Trump's tariff policy has something to do with people paying their "fair share" and reshoring jobs has been shown to be a lie. The economic justification (i.e. kindergarten maths) for the tariff rates was not linked to trade barriers but to deficits. For example, the idea that Lesotho can buy more "stuff" to close its diamond-driven deficit from the US is laughable. Rich people are going to have to pay more at Tiffanys…

- Nor are the tariffs uniformly driven by foreign policy considerations; whilst the anti-China sentiment is self-evident, Founding member of the "Axis of Evil" Iran is paying less than staunch US ally Israel. China rates keep changing, like the Dr Evil ransom scene from Austin Powers ("one million dollars!"). We therefore have no idea where any of this will finally end up, but the market is hoping every major trading partner makes a "beautiful" concession and gets their rates down to 10% which is potentially manageable but still painful. Meanwhile, there is plenty of scope for further twists and turns along the way.

- Trump does not seem to understand that trade deficits are what drives foreign countries to buy US Government bonds in huge size, massively lowering debt service costs and allowing the US to run a persistent primary budget deficit. Less net trade means lower Treasury holdings. Be careful what you wish for Donald; those tax cuts are looking less affordable by the minute.

In light of this, it seems reasonable to conclude that the medium-term direction of the US dollar is for it to weaken against major currencies. Moreover, the "risk premium" for holding US equities as compared to those of more stable/predictable regimes (e.g. Europe) has gone up and will remain elevated for at least four years.

2. The Donald is coming for "Big Pharma:

- Trump has shown himself on many occasions to be petty minded and vengeful (cf. removals of security clearances, blackballing firms from Federal contracts etc.). He seems to hold Pfizer partly responsible for losing the 2020 election by delaying the positive results for the Covid vaccine developed under "his" Operation Warp Speed; recall the claim "[Pfizer]didn't have the courage to do it before," and "didn't want to have me get a Vaccine WIN, prior to the election, so instead it came out five days later."

- The international system of patent boxes around intellectual prop and transfer pricing for goods as they go through various stages of manufacturing and value addition is long established and every company maximises their tax structures around this. This is not illegal and arguably Directors have a fiduciary responsibility to do maximise shareholder returns from their legitimate business activities. In a world where 1 in 3 marketed products are acquired or licensed, tax receipts end up all over the place and thus big companies pay little Federal taxes once all the Federal R&D credits and offsets have been used. This is a source of ire for both Trump and the Democrats, but no-one has managed to do anything about it in the past few decades.

- Trump has long campaigned on the issue of drug prices, highlighting the disparity in pricing between the US and other developed countries. While he now appears to sympathise more with the argument that other countries pay too little and are benefiting at the expense of the U.S., rather than the notion that the U.S. is paying excessively, this remains one of his (many) bête noires.

- Many analysts seem relaxed about this, arguing that a section 232 investigative process must be followed in order to legally instigate industry-specific tariffs and that such a route will likely take a year or more, given the industry time to lobby them into an acceptable shape. However, Trump is wantonly a maverick and does not seem to agree with checks on executive privilege, so it feels risky not to consider that an alternative route might be attempted, bringing action sooner and possibly through an unconventional and thus unforeseen approach.

In light of this, it seems reasonable to conclude that the safe-haven status of established and profitable "big pharma" is not what it was until we have some clarity on this topic and the most efficient ("egregious") tax operators may end up being at the most risk here. Paradoxically, pre-commercial companies who outsource manufacturing to third party CMOs have the opportunity to configure their future business to whatever rules are ultimately applied.

3. The structural upside from the NSCEB report has become murkier with the FDA issues

- In late March, we published a number of thoughts on our blog (available on the Trust's website) under the Titles of Letter from America, where we tried to outline our thoughts on the US Administration and the market. One of the topics covered was the recently released National Security Commission on Emerging Biotechnology (NSCEB) report.

- We did, and still do think this represents a structural tailwind for the therapeutics sector. Whilst it will take a year or two for relevant legislation to be passed, we expect it to be an incentive-based approach to re-shore trials, primary research, development activities and manufacturing back to the US.

- However, in order to address the primary goal of protecting US innovators from foreign competition (i.e. China), the FDA must streamline processes around clinical development, to accelerate timelines and allow the generation of actionable clinical data more quickly. As things stand today, a Chinese Biotech can get Phase 1/2 data published faster than a US one, which puts it ahead in the queue for licensing deals.

The problem is that many investors perceive the journey to practicable reform is more challenging without figures like Peter Marks in place at FDA. Whether or not this is true remains to be seen; there is a reflexive (and understandable) dislike of the anti-science RFK by most science-trained healthcare investors and analysts. He is not running the FDA though, Makary is. Marks was replaced by an FDA insider (Scott Steele) not by some random political appointee lacking relevant qualifications and experience.

In light of this, it seems reasonable to conclude that, whilst biotech valuations are incredibly attractive here, the catalyst of structural reforms is going to take longer than hoped for to play out and investors will want to see evidence by say Q3 25 that the FDA is continuing to function well (as determined by timely drug approvals or rational delays/CRLs and a continuing pipeline of medical device approvals as well.

Pulling it all together

Moving forward, we are applying higher discount rates for US exposure, using more cautious timelines for approvals and paying close attention to how 'clever' (risky) corporate structure are around optimising tax rates and where products are sourced from. Investors should anticipate the geographical bias towards US-listed companies to decline over time.

Some holdings will require re-deligencing in certain aspects that were previously so uncontroversial they did not require much work (e.g. supply chain redundancy was a primary question historically. Now it actually matters where those primary suppliers are based than whether or not there is a backup). It is already apparent some companies are ready and willing to embrace these conversations. Those who do not will find themselves penalised by investors.

We are more cautious regarding the presumption that Diversified Therapeutics ("Big-Cap Pharma") is a safe hiding place during all of this, and are generally thinking about having less rather than more therapeutics exposure in the shorter term.

When thinking about other sub-sectors, we're focusing on demand and choice; those areas where demand is solid and less sensitive to consumer preference/economic cycles and where local delivery is key. Diagnostics, Distributors, certain domestically-focused elements within Services and Managed Care spring to mind, alongside Service providers in the Value-Based Care system. You can find islands of stability in these treacherous waters.

We always appreciate the opportunity to interact with our investors directly and you can submit questions regarding the Trust at any time via:

shareholder_questions@bellevuehealthcaretrust.com

As ever, we will endeavour to respond in a timely fashion and we thank you for your continued support during these volatile months.

Paul Major and Brett Darke

Top 10 positions

UnitedHealth Group	7.3%
Biomarin Pharmaceuticals	6.5%
Abbott Laboratories	5.5%
AbbVie	4.6%
CareDx	4.3%
Baxter International	4.3%
Exact Sciences	4.2%
Stryker	4.2%
McKesson	4.1%
Dexcom	3.8%
Total top 10 positions	48.8%
Total positions	34

Sector breakdown

Med-Tech	24.3%
Focused Therapeutics	18.3%
Diagnostics	13.6%
Diversified Therapeutics	9.3%
Services	8.7%
Managed Care	7.3%
Tools	6.7%
Health Tech	6.0%
Distributors	4.1%
Healthcare IT	1.6%

Geographic breakdown

United States	95.3%
Great Britain	3.4%
Denmark	1.3%

Market cap breakdown

Small-Cap	18.0%
Mid-Cap	16.3%
Large-Cap	28.8%
Mega-Cap	36.9%

Source: Bellevue Asset Management, 31.03.2025;
Due to rounding, figures may not add up to 100.0%. Figures are shown as a percentage of gross assets.
For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.
Market Cap Breakdown defined as: Mega Cap >$50bn, Large Cap >$10bn, Mid-Cap $2-10bn, Small-Cap $2bn. Geographical breakdown is on the basis of operational HQ location.

Benefits

- Healthcare has a strong, fundamental demographic-driven growth outlook.
- The fund has a global and unconstrained investment remit.
- It is a concentrated high conviction portfolio.
- The fund offers a combination of high quality healthcare exposure and a targeted 3.5% dividend yield.
- Bellevue Healthcare Trust has a strong board of directors and relies on the experienced management team of Bellevue Asset Management (UK) Ltd

Inherent risks

- The fund actively invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- Healthcare equities can be subject to sudden substantial price movements owning to market, sector or company factors.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- The price investors pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company.
- The fund may take a leverage, which may lead to even higher price movements compared to the underlying market.

You can find a detailed presentation of the risks faced by this fund in the "Risk factors" section of the sales prospectus.

Management Team

Paul Major
Co-Portfolio Manager

Brett Darke
Co-Portfolio Manager

Sustainability Profile – ESG

EU SFDR 2019/2088 product category: Article 8

Exclusions:		**ESG Risk Analysis:**		**Stewardship:**	
Compliance UNGC, HR, ILO	✓	ESG-Integration	✓	Engagement	✓
Norms-based exclusions	✓			Proxy Voting	✓
Controversial weapons	✓				

Key Figures:

CO_2-intensity (t CO_2/mn USD sales):	17.9 (Low)	Coverage:	98%
MSCI ESG Rating (AAA - CCC):	A	Coverage:	98%

Based on portfolio data as per 31.03.2025; – ESG data base on MSCI ESG Research and are for information purposes only; compliance with global norms according to the principles of UN Global Compact (UNGC), UN Guiding Principles for Business and Human Rights (HR) and standards of International Labor Organisation (ILO); no involvement in controversial weapons; norms-based exclusions based on annual revenue thresholds; ESG Integration: Sustainability risks are considered while performing stock research and portfolio construction; Stewardship: Engagement in an active and constructive dialogue with company representatives on ESG aspects as well as exercising voting rights at general meetings of shareholders.MSCI ESG Rating ranges from "leaders" (AAA-AA), "average" (A, BBB, BB) to "laggards" (B, CCC). The CO_2-intensity expresses MSCI ESG Research's estimate of GHG emissions measured in tons of CO_2 per USD 1 million sales. The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in the prospectus. For further information c.f. www.bellevue.ch/sustainability-at-portfolio-level.

Risk Return Profile acc. to SRI

This product should form part of an investor's overall portfolio. It will be managed with a view to the holding period being not less than three years given the volatility and investment returns that are not correlated to the wider healthcare sector and so may not be suitable for investors unwilling to tolerate higher levels of volatility or uncorrelated returns.

low risk ← → high risk

1	2	3	4	5	6	7

We have rated this product as risk class 6 on a scale of 1 to 7, with 6 being the second highest risk class. The risk of potential losses from future performance is considered high. In the event of very adverse market conditions, it is very likely that the ability to execute your redemption request will be impaired. The calculation of the risk and earnings profile is based on simulated/historical data, which cannot be used as a reliable indication of the future risk profile. The classification of the fund may change in future and does not constitute a guarantee. Even a fund classed in category 1 does not constitute a completely risk-free investment. There can be no guarantee that a return will be achieved or that a substantial loss of capital will not be incurred. The overall risk exposure may have a strong impact on any return achieved by the fund or subfund. For further information please refer to the fund prospectus or PRIIP-KID.

Liquidity risk

The fund may invest some of its assets in financial instruments that may in certain circumstances reach a relatively low level of liquidity, which can have an impact on the fund's liquidity.

Risk arising from the use of derivatives

The fund may conclude derivatives transactions. This increases opportunities, but also involves an increased risk of loss.

Currency risks

The fund may invest in assets denominated in a foreign currency. Changes in the rate of exchange may have an adverse effect on prices and incomes.

Operational risks and custody risks

The fund is subject to risks due to operational or human errors, which can arise at the investment company, the custodian bank, a custodian or other third parties.

Target market

The fund is available for retail and professional investors in the UK who understand and accept its Risk Return Profile.

Objective

The Bellevue Healthcare Trust invests in a concentrated portfolio of listed equities in the global healthcare industry (maximum of 35 holdings). The overall objective for the Bellevue Healthcare Trust is to provide shareholders with capital growth and income over the long term. The Company's specific return objectives are: (i) to beat the total net return of the MSCI World Healthcare Index (in GBP) on a rolling 3 year period and (ii) to seek to generate a total shareholder return of at least 10% p.a., net of fees, over a rolling three-year period. Capital is at risk and there is no guarantee that the positive return will be achieved over the specific, or any, time period.

Important information

This document is only made available to professional clients and eligible counterparties as defined by the Financial Conduct Authority. The rules made under the Financial Services and Markets Act 2000 for the protection of retail clients may not apply and they are advised to speak with their independent financial advisers. The Financial Services Compensation Scheme is unlikely to be available.

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