



**EPWORTH INVESTMENT
FUNDS FOR CHARITIES
ASSESSMENT OF VALUE REPORT
AS AT 31 DECEMBER 2023**

CONTENTS

WELCOME

WHAT IS AN ASSESSMENT OF VALUE REPORT?

HOW HAVE WE ASSESSED VALUE FOR MONEY?

CONCLUSIONS

METRIC 1 ► QUALITY OF SERVICE

METRIC 2 ► FUND PERFORMANCE

METRIC 3 ► AFM COSTS

METRIC 4 ► ECONOMIES OF SCALE

METRIC 5 ► COMPARABLE MARKET RATES

METRIC 6 ► COMPARABLE SERVICES

METRIC 7 ► CLASSES OF UNITS

METRIC 8 ► RESPONSIBLE & SUSTAINABLE INVESTING

WELCOME

Welcome to the Assessment of Value report issued by the Board of Epworth Investment Management Limited (Epworth) for the period ended 31 December 2023.

Epworth is a wholly owned subsidiary of the Central Finance Board of the Methodist Church (CFB). We offer portfolio and fund management services to Churches and Charities and a Managed Portfolio Service to Christian retail investors in the United Kingdom.

The CFB was one of the first “Environmental, Social and Governance” (ESG)” investors in the United Kingdom with almost fifty years of thinking and researching of the ethics of investment. Christian ethics are deeply embedded in everything that the CFB does. This extends to Epworth, and we consistently apply the same moral imperatives across all the assets that we manage. For us, ethical investment is not just part of a product suite - it’s at the heart of everything that we do.

We expect clients to judge us on both our investment performance and our ability to deliver improvements in people’s lives through our company and sector engagement.

The ethical pillars that link the theology behind Epworth’s ethical policies with the United Nations Sustainable Development goals can be found at:

epworthim.com/ethics/



WHAT IS AN ASSESSMENT OF VALUE REPORT?

Authorised Fund Managers (AFM) are the parties responsible for all aspects of the performance of a Fund regulated in the United Kingdom and at least once a year are required to issue an assessment of whether the payments made out of that Fund are justified in the context of the overall value offered to unitholders. Epworth is the Authorised Fund Manager of the Epworth Investment Fund for Charities (the Fund). Epworth is also the investment manager of this Fund but has appointed delegates to undertake several of the operational and valuation tasks in the maintenance of the Fund on its behalf. This assessment includes Epworth's fees as the investment manager, the fees that the Fund pays to Epworth's delegates and the costs of external providers such as the Depositary and Custodian.

The Sovereign Sterling Bond and Corporate Bond Sub Funds closed in April 2023, and so have not been included within this report.

This report considers whether the following Sub funds of the Epworth Investment Fund for Charities are offering value for money to their unitholders

Sub Fund Name	Asset Class	Launch Date
UK Equity Fund	Equities - UK Equity	30 April 2019
Global Equity Fund	Equities - Global Equity	30 April 2019
Climate Stewardship Fund	Equities - UK Equity/Stewardship	28 May 2020
Multi-Asset Fund	Multi-Asset - Sterling	11 June 2019

HOW HAVE WE ASSESSED VALUE FOR MONEY?

In preparing this assessment of the value of the Fund, Epworth is following rules and guidance issued by the Financial Conduct Authority (FCA). These rules set out metrics that Epworth must consider as a minimum. To these we have added an Environment, Social and Governance (ESG) metric that reflects how Christian ethics are embedded within our investment management process. The metrics we have used are:

- 1 ► What is the Quality of our Service to unitholders?
- 2 ► How have our Funds performed?
- 3 ► Are Epworth's costs reasonable and proportionate?
- 4 ► Do the Funds benefit from any Economies of Scale?
- 5 ► How do the fees that are charged within the Funds compare with the market?
- 6 ► Does Epworth offer any comparable services? If we do is the service provided and are the fees charged in the Funds fair in comparison to these other services?
- 7 ► Do the Funds have multiple unit classes? And if so are the charges in them comparable and fair?
- 8 ► Responsible & Sustainable investing

We have assessed each Sub fund within the Fund against the above eight metrics, applying a ● red / ● amber / ● green rating mechanism.

Red means that the Sub fund does not offer value for money against this metric; amber that it does offer value for money but that there are issues that we need to consider to improve the Sub fund's performance against this metric. A green rating means that the Sub fund offers value for money against the relevant metric and that there are no issues of concern.

In coming to an overall assessment, we have recognised that some of these metrics may be of more importance to unit holders than others. Thus, we have given additional weighting to performance, cost and service in arriving at our final assessment of the value for money of each Sub fund.

Identification of a peer group

For several of the metrics that we have used to assess a Fund's performance, we have made comparisons with the performance or costs of a similar Fund. This peer group has been created by:

- ▲ Identifying the universe of Funds in the United Kingdom with charitable status, to align with the charitable status of the Fund.
- ▲ Reviewed the peer group identified in the performance tables of Charity Finance magazine.
- ▲ Used our own experience of close competitors from client and industry interactions.

OUR CONCLUSIONS

The overall assessment for each Sub fund's value to unit holders is set out below. Where there is a red overall rating, we have concluded that the Sub fund does not offer value for money and that the Board of the Manager must take steps to remediate this. Where there are individual amber or red ratings for separate metrics, we have identified that there is room for improvement but, providing the overall assessment for the Sub fund is green or amber, we believe that it still offers value for money to unit holders.

The following pages set out our detailed analysis of the value that the Fund and Sub funds are delivering against each metric.

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Quality of Service	●	●	●	●
Performance	●	●	●	●
AFM Costs	●	●	●	●
Economies of Scale	●	●	●	●
Comparable Market Rates	●	●	●	●
Comparable Services	●	●	●	●
Classes of Units	●	●	●	●
Responsibility & Sustainable Process	●	●	●	●
Overall Rating	●	●	●	●

Following last year's Value for Money Assessment, Epworth made the decision to close both the Sterling Sovereign Bond Fund and the Corporate Bond Fund. The main reasons for this were due to performance, a significant decrease in the level of assets under management and poor economies of scale. Following approval from the FCA, these two Sub funds were closed on 28 April 2023.

QUALITY OF SERVICE

What is the Quality of our Service to Unitholders?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Quality of Service	●	●	●	●

We believe that the service provided by Epworth is generally of a good standard. One of our close peers only offers weekly dealing to unitholders; the Epworth funds deal every day.

In assessing the quality of our service to our unitholders in the Fund we have looked at a number of factors. These include:

- ▲ The ease of unitholder dealing
- ▲ The frequency of unit holder dealing
- ▲ The range, accuracy and timeliness of information made available to unitholders
- ▲ Other support provided to unitholders
- ▲ Complaints received from unitholders
- ▲ The robustness and strength of our investment process
- ▲ Any errors made by Epworth or our delegates during the investment process
- ▲ The Fund’s voting record
- ▲ Epworth’s engagement record with investee companies
- ▲ The dynamic nature of the exclusions list of eligible securities for the Fund

We keep unitholders apprised of developments in the investment and ethical markets through regular updates that are posted to our website. These updates reflect upon our work on ethical engagement and activity. The introduction of our ‘Ethical Pillars’ and priority matrix provide a clear description of Epworth’s approach to and prioritisation of ethical issues.

Our equity team manage a robust research process that ensures our existing positions are constantly re-assessed and that the pipeline of potential new investment ideas is active.

In undertaking this review we have noted that there was one material pricing error by our delegate, for which we retain overall responsibility in October 2022 on the Sterling Sovereign Bond Fund. The material error occurred on one day and the Fund had no transactions on the date of the error and therefore, no unit holders were impacted. However, the investigation into this error identified weaknesses in the pricing of the Sterling Sovereign Bond Fund. The investigation ensured that no unit holders had been disadvantaged. However, we have determined that this Fund should receive a “red” outcome for its Quality of Service - it should be noted that appropriate corrective measures have been implemented. All other Sub funds are rated “green” for this metric.

PERFORMANCE

How have the funds performed?



“The performance of the scheme, after deduction of all payments out of scheme property as set out in the prospectus...Performance should be considered over an appropriate timescale having regard to the scheme’s investment objectives, policy and strategy.”

COLL 6.6.21(2)

Four key inputs have been used to assess the Performance of each Sub fund.

- ▲ Performance against the Sub fund’s investment objective
- ▲ Performance relative to the Sub fund’s benchmark since inception of the relevant Sub fund
- ▲ Performance in comparison with peer group. Only discrete periods 2020 to 2023 are currently available.
- ▲ The ethical performance of that Sub fund.

The performance of all of funds has improved during 2023. Despite the improvement in 2023 over a three year period since inception the funds have underperformed, on all metrics except ethical ones. The exception to this longer-term performance is the Global Equity Fund, which is slightly above benchmark since inception. All funds have therefore been given an amber rating for performance, with the exception of the Global Equity Fund which has been graded green.

UK EQUITY

The UK Equity Fund grew by 8.47% in 2023 which was above the benchmark (7.90%), but over three years growth was below the benchmark. The growth in 2023 came from a strong performance in conviction stocks, as growth style stocks rebounded from a year where they had struggled to progress. During the fourth quarter many other conviction stocks benefitted as confidence in the UK economy increased. A large proportion of the Funds’ relative performance came from the exclusion of stocks which had poor performance over the course of the year. The Sub fund failed to meet part of the investment objective to produce income greater than benchmark. There was substantial ethical engagement with companies held in the Sub fund during the year.

GLOBAL EQUITY

The Global Fund grew by 16.8% in 2023 which was above the benchmark (15.7%), The Global Fund was also slightly above the benchmark since inception. The Global Equity Fund's outperformance was driven by strong performance in a number of Conviction stocks. Relative weakness in the excluded Oil and Gas sector also helped performance.

The Sub fund failed to meet part of the investment objective to produce income greater than benchmark. There was some ethical engagement with companies held in the Sub fund during the year.

CLIMATE STEWARDSHIP

The Climate Stewardship Fund grew by 8.44% in 2023 which was above the benchmark (7.90%), but over three years was below the benchmark. In the UK equity market, the Climate Stewardship Fund benefitted from strong performance in conviction stocks in 2023, as growth style stocks rebounded from a year where they had struggled to progress. During the fourth quarter many other conviction stocks benefitted as confidence in the UK economy increased. A large proportion of the Funds' relative

performance came from the exclusion of stocks on ethical grounds, which had poor performance over the course of the year. The Sub fund failed to meet part of the investment objective to produce income greater than benchmark. There was substantial ethical engagement with companies held in the Sub fund during the year.

The Climate Stewardship Fund has a carbon footprint target of 15% less than the FTSE All Share index. It actually achieved 66% less than the FTSE All Share index.

MULTI-ASSET

The Multi-Asset Fund grew by 8.1% in 2023, which was 3rd out of 5 peers. It also had consistent performance against its peers over three years. The Epworth Multi-Asset Fund performed strongly in absolute terms in 2023 as all asset classes rose in value. Outperformance in the equity funds, as well as much better performance in interest rate sensitive assets towards the end of the year, was beneficial for performance.

AFM COSTS

Are Epworth's costs reasonable and proportionate?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
AFM Costs	●	●	●	●

The costs of Epworth are assessed to be reasonable and well controlled, supporting an overall green rating:

“In relation to each charge, the cost of providing the service to which the charge relates, and when money is paid directly to associates or external parties, the cost is the amount paid to that person.”

COLL 6.6.21(3)

Epworth made a small profit in the year ended 28 February 2023. Epworth's regulatory capital is covered but there is no indication that there are any extraordinary profits being generated. Epworth is not located in a prime property site and rents are relatively low for the City of London Staff costs were aligned with peer group salaries nine years ago, but the lack of recent bonus payments renders the overall employment packages relatively understated in a peer group comparison.

The key delegates of Epworth Administration, Transfer Agency and dealing services were negotiated during an open Request For Proposal process.

Epworth operates a relatively low-cost operation, relying heavily on support from delegates for operational services. Epworth has a track record of recruiting and training new people to the industry and has made a substantial commitment to their training and study for professional qualifications. Epworth is wholly owned by a statutory body that serves the Methodist Church.

ECONOMIES OF SCALE

Do the Funds benefit from any economies of scale?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Economies of Scale	●	●	●	●

“Whether the Authorised Fund Manager is able to achieve savings and benefits from economies of scale, relating to the direct and indirect costs of managing the scheme property and taking into account the value of the scheme property and whether it has grown or contracted in size as a result of the sale and redemption of units.”

COLL 6.6.21(4)

In assessing economies of scale, consideration has been given to both the “buying” power of Epworth to obtain cheaper arrangements for services for the Fund and to the impact of tiering of fees and minimum fees chargeable at Fund or Sub fund level.

Depositary fees are paid by each Sub fund based upon the following Scale of fees:

Aggregate Net Asset Value of the Trust (£)	Applicable fee per annum Net asset value (%)
0 - 500,000,000	0.0350
500,000,001 - 1,000,000,000	0.0250
1,000,000,001 - 1,500,000,000	0.0135
1,500,000,000 +	0.0100

Minimum Depositary fee per Sub fund: £10,000

At the first-tier fee of 0.035% this means that the Sub fund must be greater in size than £28.5m to avoid a Depositary fee higher than the minimum tier rate stated above.

Epworth has delegated Fund accounting, transfer agency and statutory reporting to HSBC. These fees are based upon various ad valorem and fixed monetary amounts. The minimum fee for these services of £200,000 per annum is exceeded by the Fund.

Fund accounting and reporting fees are calculated at the Fund level and then apportioned between Sub funds pro rata to the net asset value (NAV) of each Sub fund; however, each Sub fund is subject to a minimum fee::

Aggregate Net Asset Value of the Trust (£)	Applicable fee per annum Net asset value (%)
0 - 100,000,000	0.0275
100,000,001 - 200,000,000	0.0225
200,000,001 - 400,000,000	0.020
400,000,000 +	0.0150

Minimum Fund accounting fee per Sub fund: £10,000

At the 31 December 2023, the NAV of the four Funds being assessed stood at £369m and therefore was not benefiting from any of the assets being charged at the highest tier of 0.015%.

During 2023, the fee levels remained the same. Depositary fees for the year were 0.0350% (tier 1). Fund accounting fees were 0.020% (tier 3).

Most of the cash fees are apportioned across the Sub funds on a pro rata basis. The impact of these fees is diluted by the size of the overall NAV of the fund. With an NAV of £369m the impact to the Funds of unit holder charges is beginning to increase.

METRIC 4 ► ECONOMIES OF SCALE

There are also Transfer agency fees to consider that include a fixed Sub fund “maintenance fee” of £8,000 per annum. Therefore, the lower the NAV the bigger the impact.

Enquiries have been made of larger Authorised Fund Managers to ascertain whether higher assets under management could lead to reduced fees levelled by parties and suppliers to the Fund. Enquiries made show a broad, without commitment, response suggesting that Depositary and custodian costs could be reduced significantly if the Epworth funds were significantly larger in size.

The Fund is of sufficient size not to be penalised at the gross level by minimum fee and is of sufficient size to gain some benefit from the tiering of fees by suppliers. The fund is not large enough to negotiate discounts on these fees.

Larger scale AuM would reduce the impact of some of the fixed costs to the Fund and facilitate fee negotiation with suppliers. However, the overall size of the fund is sufficient to benefit from some of the tiering of Depositary and fund administration charges. The impact of these economies has been diminished by the substantial decline in assets in the Fund over the last two years. At the time of the 2021 Assessment of Value report the Fund value stood at £731m, At the date of this report it stands at £369m. The Fund has therefore been awarded an overall amber rating for economies of scale.

At 31 December 2022 the NAV of the Fund stood at £362m. Due to the reduction in NAV during 2022, the fee rates increased. Depositary fees for the first part of the year were 0.0250% (tier 2) and for the rest of 2022 they were 0.0350% (tier 1).

Fund accounting fees were 0.0150% (tier 4) for the first part of 2022, but when the NAV fell below £400m the Fund accounting fee rose to 0.020% (tier 3).

We have therefore concluded that, in general, the Fund did not achieve economies of scale, to an amount that would have been possible if the assets under management were higher. Therefore, with the exception of the Sterling Sovereign Bond Fund all other funds have been assessed as amber.

However, the minimum fees at the Sub fund level do apply to the Sterling Sovereign Bond Fund, pushing up the Sub fund’s overall costs due to its lack of scale. When this consideration is added to the fixed fees that all Sub funds bear for Transfer Agency costs, we have determined that a red rating for this metric is appropriate for this Sub fund.

COMPARABLE MARKET RATES

How do the fees that are charged within the Funds compare with the market?



“In relation to each service, the market rate for any comparable service provided: (a) by the AFM; or (b) to the AFM or on its behalf, including by a person to which any aspect of the scheme’s management has been delegated.”

COLL 6.6.21(5)

For each Sub fund the basis of value is assessed by:

- ▲ Comparing the management fee of the Sub fund with its peer group
- ▲ Comparing the Ongoing Charges Figure (OCF) of the Sub fund with its peer group

The OCF is the total costs borne by unitholders, expressed as a percentage of the Sub fund’s net asset value, when all costs that the Sub fund incurs are taken into consideration.

The management fee and OCF as at 31st December 2023 have been contrasted with the peer group previously identified. Our findings are shown below.

	Management Fee		OCF	
	Fund (%)	Peer Group (%)	Fund (%)	Peer Group (%)
UK Equity Fund	0.55	0.50 - 0.75	0.74	0.52 - 0.79
Global Equity Fund	0.65	0.60 - 0.75	0.78	0.68 - 0.79
Climate Stewardship Fund	0.65	0.65 - 0.79	0.98	0.79 - 0.98
Multi-Asset Fund	0.60	0.56 - 1.00	1.05	0.60 - 1.22

ASSESSMENT - COMPARABLE MARKET RATES

Our management fees are proportionate in the context of our peer group, and we are satisfied that they offer value for money, given the other elements discussed in this report. However, the OCFs for the UK Equity and Climate Stewardship are at the higher

end of their peer group comparisons. Therefore, in conclusion we believe that the total costs of the UK Equity, Climate Stewardship and Global Equity Funds are relatively expensive and that an amber rating for these Sub funds is appropriate.

	Management Fee	OCF	Overall Assessment
UK Equity Fund	● At the lower end	● Relatively high	●
Global Equity Fund	● At the lower end	● Relatively high	●
Climate Stewardship Fund	● At the lower end	● Relatively high	●
Multi-Asset Fund	● At the lower end	● Mid-range	●

COMPARABLE SERVICES

Does Epworth offer any comparable services? If we do is the service provided and are the fees charged in the Funds fair in comparison to these other services?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Comparable Services	●	●	●	●

“In relation to each separate charge, the AFM’s charges and those of its associates for comparable services provided to clients, including for institutional mandates of a comparable size and having similar investment objectives and policies;”

COLL 6.6.21(6)

Epworth offers one alternative pooled investment to the Fund, The Epworth Cash Plus Fund for Charities. This fund is a common deposit fund only permitted to invest in Bank Deposits or short-term fixed interest instruments. Its investment objective has no correlation to the Fund and therefore it is not a comparable service.

Epworth also offer a Managed Portfolio Service (MPS) to retail customers. This service is only available via Independent Financial Advisers (IFA’s) and is not able to invest in the Epworth CAIF’s. Therefore, the MPS is not a comparable service.

Epworth does offer a Discretionary portfolio management service for charities (DSC) with over £250,000 to invest. Clients receive a discretionary management service with a portfolio that is constructed to meet their financial needs and attitude to risk.

The components of these client portfolios are the Sub funds and a selection of third-party funds to gain exposure to asset classes and sectors in which the Sub funds are not invested. Each client is assigned to a model and investment strategy which best meets the client’s needs. This portfolio and the assets within are held via a third-party custodian and are managed via a platform.

Clients pay a portfolio management fee and a platform fee for this service. Clients invested in any of the Sub funds as part of this service are invested in a nil management fee share class.

GENERAL OBSERVATION

The portfolio management service (DSC) offered by Epworth is an enhancement to the service enjoyed by unitholders at slightly extra cost.

ASSESSMENT - COMPARABLE SERVICES

Epworth offers two other services. One is in an unrelated service, the Managed Portfolio Service only available via Independent Financial Advisers (IFA’s) and the second, the Discretionary Portfolio Management Service for Charities (DSC). An overall green rating is appropriate for all funds.

CLASSES OF UNITS

Do the Funds have multiple unit classes? And if so, are the charges in them comparable and fair?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Classes of Units	●	●	●	●

“Whether it is appropriate for unitholders to hold units in classes subject to higher charges than those applying to other classes of the same scheme with substantially similar rights”.

COLL 6.6.21(7)

All Sub funds have the following classes of units:

- ▲ Accumulation
- ▲ Income
- ▲ CFB Income

The management fee and ongoing charges figure for the accumulation and income units are aligned. The CFB Income units are used by institutions that have entered into an agreement with the Authorised Fund Manager and/or are invested through the Discretionary Portfolio Management Service for Clients. The Manager receives its remuneration through external charging mechanisms for these services.

The Climate Stewardship fund has an additional unit class - “Income B”. This unit class with a reduced management fee was made available during the initial offering period of the Sub fund. Unit holders had to be initial investors in the fund on 28 May 2020 and have retained their unit holding by 28 August 2020. These investors “seeded” the original launch of the Sub fund and made this offering to other unit holders possible. These units are no longer available to new investors.

GENERAL OBSERVATIONS

- ▲ All external unit holders are invested in the accumulation or income units that have mirroring fees and charges.
- ▲ The only exception are the original seed investors in the Climate Stewardship Fund
- ▲ CFB units are only available to investors from the CFB and portfolio clients of the Manager.

RESPONSIBILITY & SUSTAINABLE PROCESS

Do the Funds invest in a responsible and sustainable way?

	UK Equity	Global Equity	Climate Stewardship	Multi-Asset
Responsibility & Sustainable Process	●	●	●	●

Epworth's shareholder, the CFB, operates an active ethics of investment committee known as the "Joint Advisory Committee on the Ethics of Investment" (JACEI). This committee, jointly represented by the CFB and the Methodist Conference, involves Epworth's Chief Responsibility Officer as a voting member. Epworth adheres to the guidance and advice provided by JACEI in all matters related to the ethics of investment.

JACEI boasts a comprehensive library of ethical investment policies derived from theology and the teachings of the Methodist Church. With a track record of addressing emerging ethical issues early on, such as pioneering the first Farm Animal welfare policy for UK investors, JACEI has been proactive in its approach. Prior to the establishment of JACEI, the CFB had already formed an ethics of investment committee in 1974, notably to examine investments in companies operating in apartheid-era South Africa.

The ethical investment guidance from JACEI includes a dynamic list of companies excluded from investment on ethical grounds. This list serves not only to penalize companies for unethical behaviour but also to incentivise positive change by removing them from the exclusions list when improvements are observed.

In addition to JACEI, Epworth has established the Epworth Responsible Investment Management Group (ERIM). ERIM convenes at least four times annually to ensure the effective implementation

of policies across various asset classes, to inform the ethical considerations in the asset allocation process, and to delve into emerging ethical themes not typically covered by JACEI. Furthermore, ERIM plays a crucial role in amplifying the voices of minority clients, contributing to the fulfilment of our consumer duty to all clients.

Epworth has a commendable track record of actively engaging for ethical benefits. Beyond the four policies addressing the climate emergency, Epworth is actively involved in engaging with companies to enhance their responses to the climate emergency. The organization is consolidating its four climate emergency policies into a single, more focused policy to provide greater clarity.

Maintaining an open dialogue with clients, Epworth actively seeks insights into the ethical issues of greatest concern to them. These concerns are then evaluated in the context of portfolio exposures to identify areas where the organization can have a meaningful impact. In 2023, alongside its continued focus on the Climate Emergency, Epworth directed attention to the banking sector.

Representatives from Epworth frequently participate as speakers at conferences and round tables, leveraging these platforms to influence industry perspectives on critical ethical matters. In 2023, Epworth voted consistently in alignment with its ethical convictions on over 6,000 shareholder resolutions.

GENERAL OBSERVATIONS

- ▲ Epworth is committed to and continues to be accepted by the Financial Reporting Council as a signatory to the Stewardship Code.
- ▲ Epworth has established its own in-house ethical committee, Epworth Responsible Investment Management Group (ERIM) in response to last year's Value for Money report. This group provides input into how the funds are managed ethically and seeks to implement the policies resulting from the CFB/JACEI interaction.
- ▲ Epworth voted in 98% of eligible shareholder resolutions in 2023.

ASSESSMENT- RESPONSIBLE & SUSTAINABLE INVESTMENT PROCESS

Recognition for Epworth's efforts within individual Sub funds is evident in the performance metric. However, Epworth's commitment extends beyond individual funds, as it represents all clients in its ethical initiatives and actively encourages their participation in ethical dialogues, regardless of their investment circumstances. Annually, Epworth proactively seeks the opinions of its existing clients through a comprehensive survey, aiming to

understand their ethical priorities and concerns. The insights gathered from this survey guide Epworth in focusing on and delivering their priorities, employing active screening and prioritization processes.

The 2023 survey results provided strong indications of heightened concern regarding climate and the environment. Other ethical considerations, such as Modern Slavery and War & Conflict, experienced a significant rise in priority levels. The identified priorities for 2023, as highlighted in the survey, are as follows:

- ▲ Climate
- ▲ Environment
- ▲ War and Conflict
- ▲ Workers' Rights
- ▲ Modern Slavery

Therefore, this metric is assessed at the Fund, rather than Sub fund level.



Epworth Investment Management Limited ("Epworth") is authorised and regulated by the Financial Conduct Authority (FCA Registered Number 175451). It is incorporated in England and Wales (Registered Number 3052894), with a registered office at 9 Bonhill Street, London EC2A 4PE and is wholly owned by the Central Finance Board of the Methodist Church.