

MANAGED PORTFOLIO SERVICE FACTSHEET - CAUTIOUS BALANCED CPI +3% PORTFOLIOS... FOR THOSE WHO BELIEVE

Q2 2024

INVESTMENT OBJECTIVE

The Cautious Balanced portfolio is designed to achieve a total return in excess of the Consumer Price Index plus 3% per annum, over a rolling 7 year basis net of fees. The strategy is globally diversified and contains multi asset investments with a mandate of c. 40% equities. The remainder of the portfolio will be a mix of fixed income, property, alternatives and cash.

There is no guarantee that the objective will be met or that a positive return will be delivered over any time period. Capital at risk.

ABOUT CHRISTIAN ETHICAL INVESTING

This portfolio contains carefully selected investment vehicles using our Christian Ethical criteria, which is fully underpinned by our seven Christian Pillars.

The pillars are linked to the United Nations Sustainable Development Goals (SDGs). Epworth supports the utilisation of the SDGs, but feel that without a robust theological underpinning, they risk being misused by corporations or organisations attempting to appear ethical.

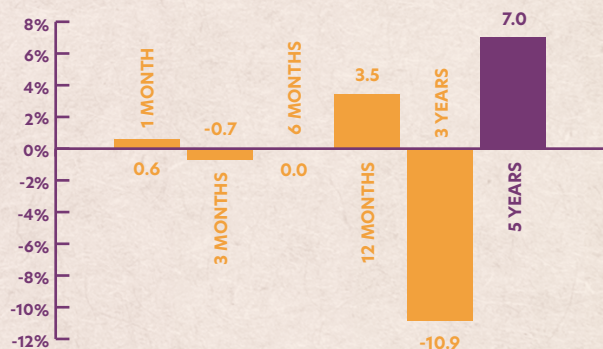
INVESTMENT MANAGER COMMENTARY

"After a negative April, global equity markets recovered during May and June despite investor concerns around inflation and interest rate policy persisting amid some mixed signals from central banks. US inflation in May came in below expectations thanks to a broad moderation in core services inflation but the Fed stressed the data was still too mixed for them to be more committal towards rate cuts in the near future. The "Magnificent Seven" became the "Magnificent One" with Nvidia driving the bulk of the returns. This environment was a less helpful backdrop for thematic managers given their approach tends to have less focus on the giant companies that dominate markets, and more on smaller companies with further room to grow from structural changes to the economy.

The quarter saw particular focus on cyber security as a major challenge the world is struggling to combat, with American Express suffering a major breach. The cost of cyber-attacks is rising significantly, they are happening more frequently, and AI is making cyber criminals more sophisticated. Lloyd's of London estimates that a major global cyber-attack could create c\$50 billion in economic losses, comparable to a significant natural disaster. This highlights the need for companies to consider cybersecurity as part of their ESG strategies. Intangible assets, including brand, software and customer data security, now represent a significant part of the value of companies in the digital age. This underscores the serious financial threat that cyber-attacks pose to the value of a company. We see companies developing tools to protect security and data privacy online as being important long term investments.

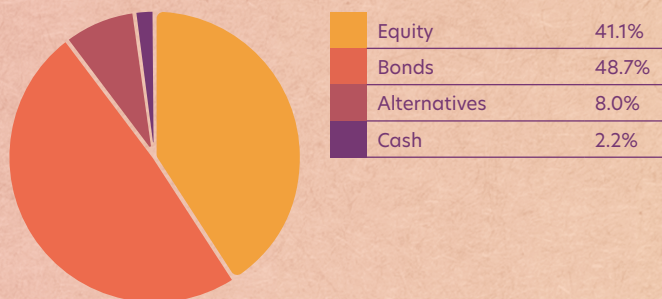
The strongest performing areas of the portfolio this quarter were those tied to the Nvidia story with the robotics and AI theme performing well. We introduced another new more defensive equity manager in May. We also added a new theme looking at the "picks and shovels" of the energy transition focusing on the metals and materials needed for electrification. We continue to believe in the long term prospects for the innovation in the themes our managers target."

UNDERLYING CANACCORD GENUITY ESG MPS PERFORMANCE

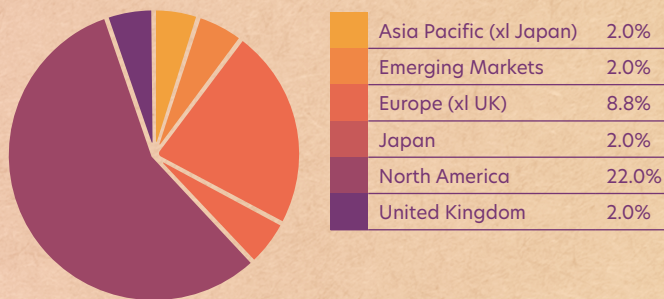


Source: Canaccord Genuity Wealth Management June 2024, Actual performance of ESG Risk Profile #4 Portfolio.

ASSET ALLOCATION



SPREAD OF GLOBAL EQUITY INVESTMENTS



FUND DETAILS

- Available through the Abrdn, AVIVA and Transact Platforms
- MPS Charge 0.40%

ABOUT CANNACORD GENUITY WM

Canaccord Genuity Wealth Management (CGWM) is an award-winning wealth manager and is part of the wider Canaccord Genuity group, a global investment business. Their approach to investing is complementary to Epworth's and as such they are able to run our Managed Portfolio Service (MPS) with us, and for us. This partnership allows the Christian Ethical approach to be managed in the most efficient and cost effective way.

ABOUT THE MANAGER

Patrick Thomas set up and is responsible for our range of environmental, social and governance (ESG) portfolios. Patrick chairs the ESG Committee. He also sits on the firm's Portfolio Construction Committee, Fund Selection Committee and Alternatives Committee.

He specialises in managing investment portfolios for intermediaries, trusts, charities and pension funds, specialising in discretionary mandates. Patrick is a chartered Wealth Manager and a Chartered Fellow of the CISI.

Patrick Thomas

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TOP 10 HOLDINGS

	THE TOP 10 HOLDINGS	WEIGHTING (%)
1	Baillie Gifford Responsible Global Equity Income	11.6
2	Wellington Global Stewards Fund	8.9
3	iShares USD Treasury 7-10 YR UCITS	6.3
4	Brown Advisory Global Sustainable Total Return Bond	6.0
5	L&G All Stocks Gilt Index Trust	6.0
6	iShares USD TIPS 0-5 UCITS	5.7
7	Rathbone Ethical Bond	4.5
8	MI TwentyFour Investment Funds Asset Backed Income	4.1
9	PIMCO Emerging Markets Bond ESG	4.1
10	RobecoSAM Global SDG Credits	4.0

NEXT STEPS

Please go to our website or contact Simon Woolnough, for more details.



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EPWORTH INVESTMENT MANAGEMENT
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