

UK EQUITY FUND FOR CHARITIES

INVESTMENT OBJECTIVE

The UK Equity Fund seeks to provide a level of income and investment growth greater than that of the FTSE All Share by investing ethically in the shares of UK companies.

ETHICAL INVESTING

Christian ethics are a first principle matter for Epworth. We aim to ensure that our investment decisions are consistent with the Christian faith. As such, all investments chosen by the fund must adhere to Epworth's established ethical pillars. To qualify for inclusion, each asset undergoes a meticulous due diligence process conducted by Epworth's experienced investment team and subsequently presented to the Asset Allocation Committee for evaluation. Continuous, rigorous monitoring of investments is conducted by the Epworth team. This involves regular interactions with the management of respective companies and third-party funds. The Responsible Investment Committee at Epworth is actively consulted in instances where specific stewardship concerns arise. For illustrative instances of fund investments and their qualification criteria, please refer to the accompanying case study map.

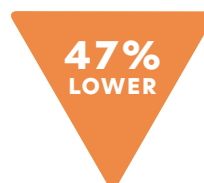
FUND SUMMARY

Fund Type	Charity Authorised Investment Fund (CAIF)
Inception Date	30 April 2019
Fund Size (30 September 2024)	£49.8m
Valuation & Dealing Dates	Daily
Minimum Investment	£1,000
ISIN	GB00BJBT2C42 (Income) GB00BJBT2D58 (Accumulation)
Benchmark	FTSE All Share Index
Management Fee	0.55% p.a.
Ongoing Charges Figure	0.73% p.a.
Dilution Levy	0.20%
Report Frequency	Quarterly
Historic Yield per Annum (Estimated to 30 September 2024)	3.0%

TOP 10 HOLDINGS

AS AT 30 SEPTEMBER 2024	WEIGHTING (%)
1 HSBC Holdings	6.2
2 Unilever	6.0
3 AstraZeneca	5.6
4 Relx PLC	5.2
5 GSK PLC	3.1
6 Ashtead Group	2.8
7 London Stock Exchange Group	2.7
8 Rio Tinto	2.7
9 National Grid PLC	2.3
10 Compass Group	2.2

CARBON FOOTPRINT ANALYSIS



FUND VS FTSE ALL-SHARE

At 30 September 2024

Source: Clarity AI

COMMENTARY

The UK market was one of the better performers globally during the third quarter of 2024, supported by sterling strength and a rotation into UK markets as prospects for UK growth brightened and the general election result delivered political certainty after a volatile few years. The UK market has been largely out of favour with investors for several years through the turmoil of Brexit and economic weaknesses, but that has left the market looking cheap relative to global equities.

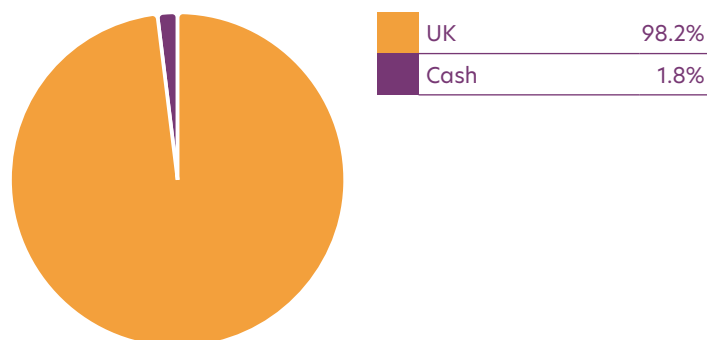
Epworth's UK funds outperformed their benchmark, the FTSE All-Share Index, over the quarter, meaning the fund has delivered a very strong year of returns. At a sector level, the greatest contributor to this relative performance in the quarter was the ethical exclusion of oil and gas stocks from the UK funds. This sector fell about 15% to drag down benchmark performance, as oil supply was strong with few conflict related interruptions whilst economic demand weakened.

On a stock-specific level, oil and gas exclusions were also the largest contributors to relative performance. Excluding Shell and BP alone contributed around 1.6% of outperformance compared to the benchmark. In addition, strength in conviction stock holdings also aided relative performance, with a strong earnings update from Volution and a takeover approach for Rightmove. There were no changes to the UK Conviction portfolio during the quarter, after extensive repositioning in the first half of the year.

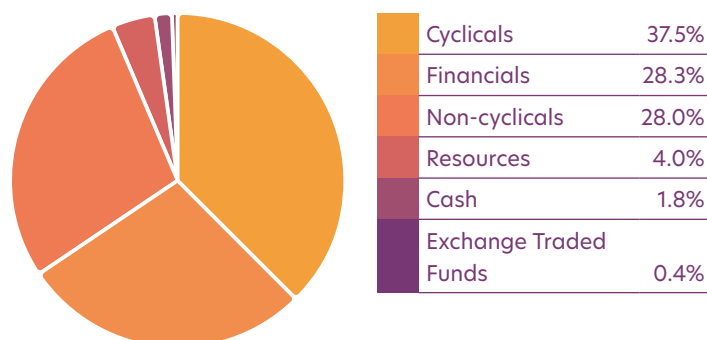
PERFORMANCE

		1 year	3 years	Since	
		%	% p.a.	30.04.19	
				% p.a.	
To 30 September 2024					
Fund		17.8	4.6	5.0	
Benchmark		13.4	7.4	5.6	
12 Months to 30 September					
	2024	2023	2022	2021	2020
	%	%	%	%	%
Fund	17.8	12.3	-13.6	28.4	-13.2
Benchmark	13.4	13.8	-4.0	27.9	-16.6

SPREAD OF INVESTMENTS BY MARKET



SPREAD OF INVESTMENTS BY SECTOR



NEXT STEPS

Please visit our website
[epworthim.com](https://www.epworthim.com)

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RISK WARNING

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 Methodist Church House, 25 Tavistock Place, London WC1H 9SF and is wholly owned by the Central Finance Board of the Methodist Church. Epworth-managed funds are designed for long term investors. The value of units in funds can fall as well as rise and past performance is not a guide to future returns. The level of income is also variable and investing in Epworth funds will not be suitable for you if you cannot accept the possibility of capital losses or reduced income. Any estimates of future capital or income returns or details of past performance are for information purposes and are not to be relied on as a guide to future performance.