Epworth
Investing Faithfully

WS 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 June 2026)	£31.9m
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	0.59% p.a.
Report Frequency	Quarterly
Historic Yield per Annum (Estimated to 30 June 2026)	2.98%

TOP 10 HOLDINGS

	AS AT 30 JUNE 2026	WEIGHTING (%)
1	HSBC	9.3
2	AstraZeneca	8.5
3	Unilever	3.9
4	Relx	3.3
5	GSK	3.2
6	Rio Tinto	3.0
7	Barclays	2.9
8	Segro	2.8
9	Lloyds	2.7
10	National Grid	2.5

CARBON FOOTPRINT ANALYSIS

38% LOWER

FUND VS FTSE ALL-SHARE

At 30 June 2026

Source: Clarity AI

COMMENTARY

The UK equity market delivered a positive return in the second quarter of 2026, albeit one that lagged global peers. Overall sentiment was supported by signs of de-escalation in the conflict in the Middle East, which saw the price of crude oil retreat sharply from its April peak. Whilst the travails of the ruling Labour Party, culminating in the resignation of Prime Minister Keir Starmer, added a degree of uncertainty around fiscal policy and public debt, the impact on the wider equity market was limited.

The driver of the UK's relative underperformance was its large exposure to "old world" sectors, including energy, materials and defensives, together with a low weighting in the technology stocks that led global markets higher. However, the underperformance of fossil fuel producers provided a welcome tailwind for ethical investors, reversing the significant headwind experienced in the first quarter.

The fund outperformed its benchmark during the quarter, driven by ethical exclusions as well as strong performances from conviction holdings. Softcat and Oxford Instruments, both perceived as beneficiaries of AI-related spending, performed notably well, as did Diploma, a distributor of specialised technical products and services, which released a very strong set of results during the period.

Towards the end of the quarter, another conviction position enjoyed a significant bounce after it received a takeover offer. Segro builds and manages warehouse and industrial properties for ecommerce across the UK and Europe. Its shares have been weighed by higher interest rates even though its operations remain sound, so the approach by Prologis, the large US peer, looks opportunistic. The initial approach was rejected, but at the time of writing it remains to be seen whether a higher offer will be achieved.

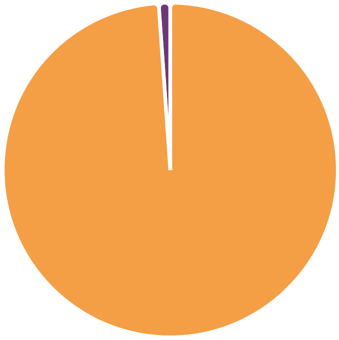
The strength in these stocks provided some opportunities to bank some profits and recycle the proceeds into stocks that, in Epworth's view, saw unjustified weakness. This included Kainos Group, an IT consultancy where the market is nervous about the impact of artificial intelligence on its services, but Epworth thinks these concerns are exaggerated and the stock valuation looks attractive.

PERFORMANCE

To 30 June 2026	1 year %	3 years % p.a.	5 years % p.a.	Since 30.04.19 % p.a.
Fund	11.8	10.5	6.0	5.9
Benchmark	21.9	15.3	10.9	8.4

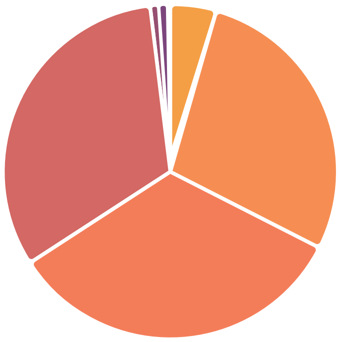
12 Months to 30 June	2026 %	2025 %	2024 %	2023 %	2022 %
Fund	11.8	7.0	12.8	5.2	-5.6
Benchmark	21.9	11.2	13.0	7.9	1.6

SPREAD OF INVESTMENTS BY MARKET



UK	99.0%
Cash	1.0%

SPREAD OF INVESTMENTS BY SECTOR



Resources	4.7%
Cyclicals	27.9%
Defensives	33.4%
Financials	32.2%
ETFs	0.9%
Cash	1.0%

ADMINISTRATOR

Waystone
www.waystone.com

NEXT STEPS

Please visit our website
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.