

# Assessment of Value Report

For the year ended 31 December 2022

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# Letter from the Fund Board

We continue to face a challenging and uncertain future. Many of the themes of the past generation – globalisation, cheap energy, low inflation and low interest rates – no longer apply. Actively managed investment funds, which are by nature forward-looking, are among the first to feel the effects of change.

We welcome the return of a realistic cost of capital and the end of the era of central banks expanding liquidity while suppressing interest rates. We believe that in this environment it will no longer be sufficient simply to buy the whole market through a passive strategy. Instead, asset allocation will be critical, and the value of careful stock selection will clearly be evident.

This is the fourth year that the Financial Conduct Authority (FCA) has required fund managers to submit an Assessment of Value (AoV) Report. It is an initiative that we continue to support. We further welcome the FCA's new Consumer Duty regulations and see the AoV as an appropriate way of addressing the 'price and value' requirements that are central to that initiative.

Our firm-wide assessment of pricing is discussed further on page 7 of this report. We are committed to ensuring that our pricing remains competitive and transparent.

**Jane Leach**  
*Chair of JOHCM Funds (UK) Limited*



As we have mentioned in previous reports, the annual assessment process has helped to embed awareness of pricing in our corporate culture. Both the present report and our operational management benefit from improvements in our data and our analysis.

As always, there is more to do and there are improvements to be made. We are pleased to say that the assessment helps us to challenge our own assumptions and to look at our products from fresh perspectives. We remain confident that our funds offer real value to our investors.

# I What is an Assessment of Value?

**In 2018, the Financial Conduct Authority (FCA) introduced new rules to strengthen the duty of asset managers to act in investors' best interests, by way of an annual Assessment of Value.**

Currently, the FCA has identified seven criteria as a basis for the Assessment of Value, as described in the table below.

It is our responsibility as the Authorised Fund Manager to perform this annual assessment for the funds we manage. JOHCM Funds (UK) Limited is appointed as manager to two UK-domiciled umbrellas: JOHCM UK Umbrella Fund and Regnan UK Umbrella Fund. This Assessment of Value will therefore cover the six sub-funds within these two umbrellas for the year ended 31 December 2022, and is the fourth Assessment of Value Report to be issued by JOHCM Funds (UK) Limited.

## FCA Criteria Overview and Description

<b>Performance</b>	Fund performance should be considered against a benchmark, e.g. the FTSE All-Share Total Return Index, as well as competitor funds. Understanding a fund's risk profile versus its investment objective is important, and can help to explain relative performance.
<b>Cost of fund</b>	This is a consideration of a fund's charges and the reasonableness of these charges in the context of a fund's objectives and its distribution and marketing. This also includes a review of costs of component services (management, administration, non-management), as well as costs versus peers.
<b>Comparable market rates</b>	This entails an external comparison between a fund's charges and those of similar peer funds.
<b>Economies of scale</b>	This considers whether a fund management company has been able to achieve savings and benefits from economies of scale, and whether such savings have been or will be passed on to the fund's investors. Industry research indicates that as a fund increases in size, its costs, on a percentage basis, typically decrease. Larger funds should therefore have lower overall costs.
<b>Comparable services</b>	This is a check of a fund's charges against those applied for comparable services provided to the fund management company's other clients, and those of its associates.
<b>Classes of units</b>	This is a review of any differences between share classes. This includes an understanding of what the cost and performance differences are, as well as some insights into why these differences exist.
<b>Quality of service</b>	Quality of service can be assessed in many ways, including support provided to investors through skilled client relationship and sales managers, regular and direct access to investment teams, and timely and detailed information provision.



# I How did we approach the Assessment of Value?

As in previous years, we worked with Broadridge Financial Solutions, which has independently gathered and analysed relevant quantitative data for our funds, as well as for appropriate peer groups. Further quantitative data and qualitative information has been gathered and analysed by the relevant teams at the Investment Manager (J O Hambro Capital Management Limited, "JOHCM"). We have reviewed and discussed all of this information together in coming to our final assessment of the value delivered by each of our funds.

## What did we look at?

**On a fund-by-fund basis, we considered the FCA criteria in the following ways:**

### Performance

We reviewed net returns of each share class versus each fund's benchmark and its peer group funds for rolling 12-month periods over the past five years, as well as annualised returns for one-, three-, five-, ten-year periods (where possible) and since inception, as of 31 December 2022. In particular, we considered the performance over the recommended holding period of the fund.

We also reviewed other relevant measures to ensure the risk/reward profile of the fund in practice corresponds to its stated investment goals. Where a fund has the provision of income as part of its objective, we have considered the yield both for the period under review and in comparison to peers.

In addition, for funds with a non-financial element to their objective, we have considered how they have met this part of the objective by looking at

appropriate measures, for example, the purity of the portfolio, or the alignment with the UN Sustainable Development Goals.

### Cost of fund

We reviewed the costs of each fund and the component parts of those costs, including the impact of any applicable performance fees, individually as well as against an appropriate peer group.

Where the costs applicable to individual share classes or funds have been capped or subsidised by the Investment Manager, we have considered the value of this to investors.

In addition, we have reviewed the operating profit margins applicable to each fund, by considering the revenue attributable to each fund compared to the level of corporate costs allocated to the operation of each fund.



### Comparable market rates

We reviewed the costs of each fund, individually as well as against an appropriate peer group.

### Economies of scale

As part of a review of costs, we also reviewed how economies of scale are being passed on to our investors. We reviewed how costs have changed in relation to the level of assets in each fund. We also considered JOHCM's ability to leverage the size of the company and/or group to obtain favourable commercials from third-party service providers.

### Comparable services

JOHCM offers investment products globally through multiple types of investment vehicle. For each fund, we reviewed costs against other similar products and mandates managed by JOHCM.

### Classes of units

We reviewed the classes available for each fund, the investors eligible to invest in each class, the distribution arrangements and the different charges for each share class. We assessed whether investors were appropriately placed in each share class, and considered the merits of continuing to offer each class.

### Quality of service

We considered many factors in reviewing quality of service. Many of these are at the corporate level and include an assessment of how JOHCM's approach benefits investors, e.g. capping fund sizes.

On a fund level, we have evaluated the quality of service considering several factors, including the quality of the investment decision-making process, the access to fund managers, the support provided to investors, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

# I Looking back to last year's Assessment of Value Report

**In last year's report, we identified the following area for further consideration:**

## **Fund pricing review**

Following the investment in resource into the product function mentioned in last year's report, a firm-wide review of the pricing framework at JOHCM is ongoing. This analysis has not highlighted any fundamental issues, and any potential future actions following the review will be discussed with JOHCM. We will continue to monitor and, if necessary, implement further actions regarding pricing as and when required.

As of April 2023, there has been a change in fund service provider, with Northern Trust being appointed as administrator, registrar and fund accountant to the funds. Our expectation is that one of the benefits of this move will be to reduce the total fees payable by the funds.



# I Executive summary

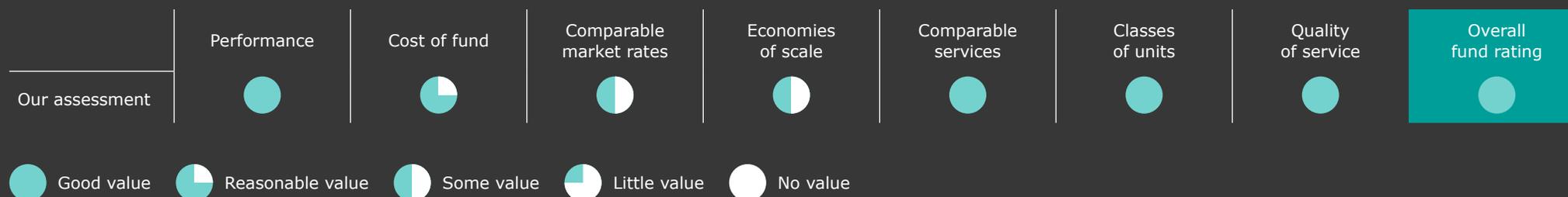
The table below summarises the outcome of our review of each of the six funds, based on data as at, and for the year ended, 31 December 2022, and measured against the seven assessment criteria set by the FCA. Further details on each fund can be found in the following sections of the report.

	Performance	Cost of fund	Comparable market rates	Economies of scale	Comparable services	Classes of units	Quality of service	Overall fund rating
<b>JOHCM Global Opportunities Fund</b>								
Our assessment								
<b>JOHCM UK Dynamic Fund</b>								
Our assessment								
<b>JOHCM UK Equity Income Fund</b>								
Our assessment								
<b>JOHCM UK Opportunities Fund</b>								
Our assessment								
<b>Regnan Global Equity Impact Solutions</b>								
Our assessment								
<b>Regnan Sustainable Water and Waste Fund</b>								
Our assessment								

 Good value
  Reasonable value
  Some value
  Little value
  No value

# JOHCM Global Opportunities Fund

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund's investment objective is to achieve capital growth over a rolling seven-to-ten-year period whilst generating income.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within seven years.

### Investment management team

The fund launched in May 2019, and has been managed by Senior Fund Managers Ben Leyland and Robert Lancaster since that date. The fund is the onshore equivalent of the Irish-domiciled JOHCM Global Opportunities Fund, which launched in June 2012.

## Performance

As the UK-domiciled fund has only existed for three and a half years, we are limited in our performance assessment by having only one-year period, three-year period and annualised since inception returns to 31 December 2022. We also reviewed the fund's risk profile relative to its comparator benchmark and its peers.

	1 year ended 31/12/2022	Annualised return for 3 years ended 31/12/2022	Annualised return since inception to 31/12/2022**
Class A Acc	<b>8.46%</b>	<b>8.01%</b>	<b>7.75%</b>
Class A Inc	<b>8.45%</b>	<b>8.71%</b>	<b>8.33%</b>
Class A Acc Hedged	<b>(5.09)%</b>	<b>2.34%</b>	<b>3.59%</b>
Class X Acc	<b>8.68%</b>	<b>8.28%</b>	<b>7.45%</b>
Class X Inc	<b>8.77%</b>	<b>9.03%</b>	<b>8.64%</b>
Comparator Benchmark*	<b>(8.40)%</b>	<b>7.45%</b>	<b>8.98%<sup>†</sup></b>

\* The fund does not have a target or constraining benchmark. However, the MSCI ACWI Standard Index may be used as a comparator benchmark, as this is the broadest available index of liquid global shares.

\*\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

<sup>†</sup> Comparator benchmark return since launch of Class A Acc.

The fund aims to provide long-term capital growth whilst generating income. The fund's particularly strong performance in 2022 provided proof of concept, with the fund delivering a strong positive return versus a notable negative index return (8.46% vs -8.40%).

In addition to comfortably outperforming the benchmark for the year ended 31 December 2022, the fund also ranked at the top of the peer group. The fund has also outperformed the benchmark over the three-year period. Whilst the since inception performance is below benchmark, this is partly due to the launch date of the fund being May 2019, just before the Covid pandemic started.

The investment team are aiming to deliver on two fronts: performance better than the benchmark and at a lower volatility than the benchmark volatility. One important measure to consider in relation to this is the Sharpe ratio, with the Sharpe ratio, for each of the fund's share classes (with the exception of Class A Hedged) being in excess of that of the benchmark.

The fund is also designed to provide investors with income, which it is doing well compared to the peer group for all share classes.

JOHCM is an active fund manager and funds are managed independently of their benchmark. This is shown by a low relative correlation to the benchmark. In addition, the fund's tracking error shows overall returns move based on portfolio decisions rather than index movement.

After reviewing all these factors, our view is that overall the fund provides 'Good value' for 'Performance'.



### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. There is no performance fee applicable to the fund and, currently, the ongoing costs are subsidised by JOHCM. We have therefore considered the value of this ongoing subsidy to investors as part of our assessment. We have also considered the profitability of the fund through an internal analysis of revenue generated by the fund against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depository fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.90%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.99% (capped)</b>
Class A Inc	<b>0.90%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.99% (capped)</b>
Class A Acc Hedged	<b>0.90%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.99% (capped)</b>
Class X Acc	<b>0.625%</b>	<b>0.03%</b>	<b>0.09%</b>	<b>0.75% (capped)</b>
Class X Inc	<b>0.625%</b>	<b>0.03%</b>	<b>0.09%</b>	<b>0.75% (capped)</b>

JOHCM has continued to cap the additional expenses borne by the fund throughout 2022, so the OCFs for Class A and Class X remain capped at 0.99% and 0.75% respectively. This subsidy by JOHCM does benefit investors, as it significantly limits the amount of costs that are passed on to the fund, and we consider this to be of value.

We also found that the impact of this subsidy could be seen in this year's profitability analysis, which indicated that the management fee revenue generated by the fund is only just exceeding the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund.

Our assessment is that the fund overall provides 'Reasonable value' for 'Cost of fund'.

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

We have particularly considered the ongoing charges of other funds with similar levels of assets, in order to assess if the fund's charges are competitive.

Our assessment is that the fund overall provides 'Some value' for 'Comparable market rates'.

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied since the fund was launched in 2019.

While the fund benefits from the corporate-level economies of scale, it is yet to benefit from any significant fund-level economies of scale. The fund had average assets over the year of c.£77.6m and so it is not yet at a sufficient size to generate any meaningful economies of scale or see fixed costs fall to a smaller percentage of the OCF.

Our assessment is that the fund overall provides 'Some value' for 'Economies of scale'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depository, registrar, administration, audit fees).

### Comparable services

We compared the fees charged to investors in the fund against the equivalent Irish and American vehicles, as well as comparing them to institutional mandates.

We considered if the fees charged by the fund were within acceptable parameters when compared to the fees charged for other investment vehicles and segregated mandates.

Our assessment is that the fund overall provides 'Good value' for 'Comparable services'.

### Classes of units

JOHCM has previously undertaken a review of unit classes and, where possible, moved investors to more appropriate unit classes via a compulsory conversion. No investors in the fund were in scope for conversion. On a periodic basis, JOHCM reviews the investors in the different share classes.

Class A is intended for retail and wholesale clients and is available via platforms, whereas Class X is intended for larger institutional clients.

As such, all share classes are considered to be 'Good value' for 'Classes of units'.

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.90%</b>	<b>No</b>	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class X	<b>0.625%</b>	<b>No</b>	<b>£100,000,000</b>	<b>Larger institutional clients</b>



### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g. capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** JOHCM provides investors with access to high-quality investment managers with many years' experience who have been with JOHCM for many years (as evidenced by the two Global Opportunities fund managers having 21 and 14 years' experience and managing the strategy since the equivalent offshore fund launch in 2012).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).

- **Client communication & engagement:** JOHCM's "One Mindset. Different Minds: Global Equities Roadshow" in November/December 2022 received an average client rating of 4.6/5.
- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

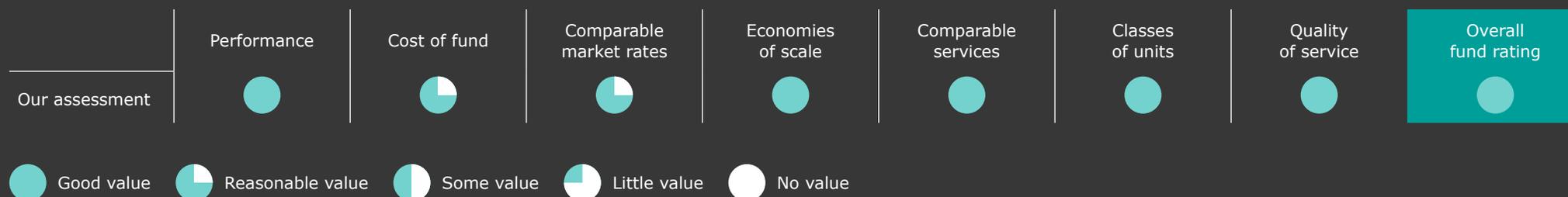
### Overall assessment of value of the fund

Our assessment is that the JOHCM Global Opportunities Fund is providing 'Good value' to its investors, for the following reasons:

- The fund has comfortably outperformed the benchmark over the last year and is also ahead over three years, showing that it is delivering on the intention to provide performance above the benchmark whilst being at lower volatility than the benchmark.
- The fund's costs continue to be significantly subsidised by JOHCM.
- The quality of service provided to investors is high.

# JOHCM UK Dynamic Fund

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund's investment objective is to achieve capital growth over a rolling seven-to-ten-year period as well as providing income. The fund's target is to have a return greater than the FTSE All-Share Total Return Index (12pm adjusted), which is used in the calculation of performance fees.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within seven years.

### Investment management team

The fund launched in June 2008, and has been managed by Senior Fund Manager Alex Savvides since that date.

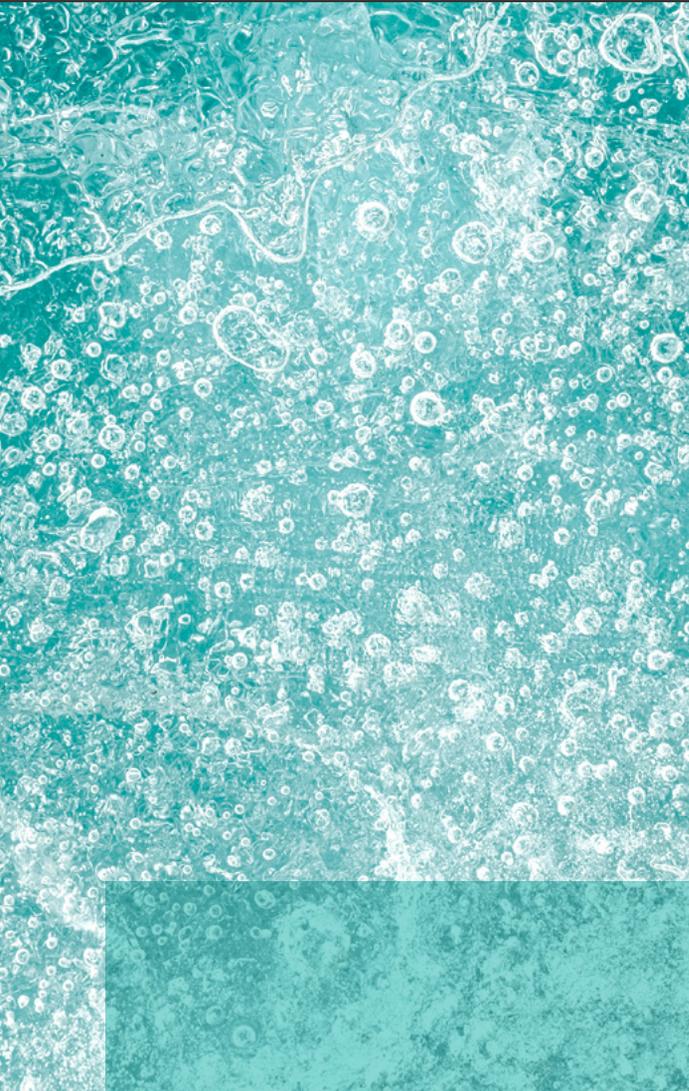
\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

† Comparator benchmark return since launch of Class A Acc.

## Performance

When evaluating the fund's net performance, we considered rolling 12-month performance over the five-year period, as well as annualised returns for one-, three-, five-, ten-year periods and since inception to 31 December 2022. We also reviewed the fund's risk profile relative to its benchmark and its peers.

	1 year ended 31/12/2022	Annualised return for 3 years ended 31/12/2022	Annualised return for 5 years ended 31/12/2022	Annualised return for 10 years ended 31/12/2022	Annualised return since inception to 31/12/2022*
Class A Acc	1.83%	0.93%	2.19%	8.00%	8.88%
Class A Inc	1.78%	0.88%	2.17%	7.77%	8.93%
Class B Acc	1.34%	0.42%	1.69%	7.47%	8.82%
Class B Inc	1.28%	0.39%	1.66%	7.29%	8.12%
Class X Acc	2.08%	1.15%	n/a	n/a	3.76%
Class X Inc	2.03%	1.10%	n/a	n/a	3.72%
Class Y Acc	1.95%	1.04%	2.31%	n/a	5.82%
Class Y Inc	1.87%	0.99%	2.27%	n/a	5.69%
Benchmark	0.74%	2.39%	3.09%	6.54%	7.11%†



The fund had an extremely strong 2022, ranking just outside the top decile versus the wider IA UK All Companies peer group.

The medium-term performance figures are skewed by the Q1 2020 drawdown, when the fund materially underperformed. The spike in cross-asset correlations, given the macro environment, created a significant headwind for an investment process that relies heavily on idiosyncratic returns. As such, while the scale of underperformance is lamentable, it was to be entirely expected given the backdrop.

To put the 2020 downturn into context, it should be noted that the UK has been an extremely tough market post-Brexit. Overall, the fund has outperformed the market in six out of the eight discrete periods since the referendum (H2 2016, 2017, 2019, 2021, 2022, YTD 2023).

Longer-term performance remains stellar, with the fund ranking 9/147 since inception (Lipper ranking, since inception June 2008). The fund similarly has a top quartile ten-year ranking.

Although the Class X performance is not as strong, it is over too short a period to be meaningful. We would point to the strong longer track record of other share classes for a better proxy for performance measurement. The classes that have existed for longer than ten years (i.e. Class A and Class B) have both outperformed the benchmark. In addition, Class Y is also ahead of the benchmark since its inception.

The fund also seeks to provide income, and has consistently provided investors with ongoing income yield above the average within the comparison groups.

JOHCM is an active fund manager and funds are managed independently of their benchmark. This is shown by a low relative correlation to the benchmark. In addition, the fund's tracking error shows overall returns move based on portfolio decisions rather than index movement.

Our assessment is that the fund overall provides 'Good value' for 'Performance'.

### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. No performance fee was charged in relation to the fund for the year ended 31 December 2022. We have also considered the profitability of the fund through an internal analysis of revenue generated by the fund against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depositary fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.75%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>0.80%</b>
Class A Inc	<b>0.75%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>0.80%</b>
Class B Acc	<b>1.25%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>1.30%</b>
Class B Inc	<b>1.25%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>1.30%</b>
Class X Acc	<b>0.525%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.57%</b>
Class X Inc	<b>0.525%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.57%</b>
Class Y Acc	<b>0.625%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>0.68%</b>
Class Y Inc	<b>0.625%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>0.68%</b>

For all share classes, the component fees within the OCF are in line with, or below, the peer group averages.

Depositary fees (at 2bps) and other fees (at 3bps) are low compared to the rest of the peer group.

This year's profitability analysis showed that the management fee revenue generated by the fund exceeds the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund. Given that the fund had average assets of c.£1,278m over the year under review, this is to be expected, and we do not consider that this margin is excessive or indicates that the level of management fees is unreasonable.

Our assessment is that the fund overall provides 'Reasonable value' for 'Cost of fund'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depositary, registrar, administration, audit fees).

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

Class A ranks in the first quintile, whilst Class B ranks in the second quintile and Classes X and Y rank in the third quintile.

Our assessment is that the fund overall provides 'Reasonable value' for 'Comparable market rates'.

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied over the past five years, as the size of the fund has varied.

OCFs for each class have remained steady over the last two years. The fund's average AUM for the year ended 31 December 2022 (£1,278m) was broadly the same as the average AUM for the previous year (£1,281m). As the fund has not changed significantly in size, it is perhaps to be expected that the OCFs should remain at a similar level.

Our assessment is that the fund overall provides 'Good value' for 'Economies of scale'.

### Comparable services

We compared the fees charged to investors in the fund against the equivalent Irish vehicle, as well as comparing them to institutional mandates.

Costs for the A, X and Y unit classes continue to be within the parameters set compared to other funds and segregated mandates managed by JOHCM. The costs for the B unit class initially fall outside the parameters set, but this does not reflect the quantity and rates of rebates applicable to this class.

Our assessment is that the fund overall provides 'Good value' for 'Comparable services'.

### Classes of units

We reviewed the various share classes available for the JOHCM UK Dynamic Fund. Share classes are structured to meet the needs of different investor types who may want to invest in the fund. The following share classes in the fund are available for investment:

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.75%</b>	<b>Yes</b>	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class B	<b>1.25%</b>	<b>Yes</b>	<b>£1,000</b>	<b>Larger intermediary / DFM relationships</b>
Class X	<b>0.525%</b>	<b>Yes</b>	<b>£100,000,000</b>	<b>Larger institutional clients</b>
Class Y	<b>0.625%</b>	<b>Yes</b>	<b>£50,000,000</b>	<b>Platform clients</b>

JOHCM has previously undertaken a review of unit classes and, where possible, moved investors to more appropriate unit classes via a compulsory conversion. On a periodic basis, JOHCM reviews the investors in the different share classes and will be contacting platforms and intermediaries to make them aware of other share classes at lower fees (should their investors be able to move into them). Our assessment is that the fund overall provides 'Good value' for 'Classes of units'.

### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g. capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** The investment team's process is to invest in companies that are changing for the better, and the team therefore have significant engagement with the management teams of investee companies. Also, JOHCM provides investors with access to high-quality investment managers with many years' experience who have been with JOHCM for many years (as evidenced by the UK Dynamic fund manager having 26 years' experience and managing the fund since launch in 2008).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).

- **Client communication & engagement:** JOHCM provides investors with webinars, events, monthly and quarterly portfolio reviews. JOHCM's "Build Back Better Event" in June 2022 had an average attendee rating of 4.6/5.
- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

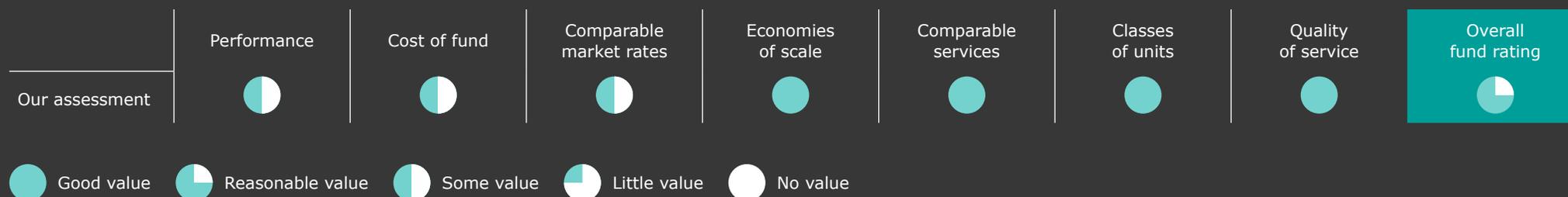
### Overall assessment of value of the fund

Our assessment is that the JOHCM UK Dynamic Fund is providing 'Good value' to its investors, for the following reasons:

- The fund has outperformed its benchmark over the longer time horizons (seven to ten years) that the fund is recommended to be held for.
- The fund has continued to deliver on its income focus.
- Ongoing costs (excluding performance fee) are low relative to peers.
- The quality of service provided to investors is high.

# JOHCM UK Equity Income Fund

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund's investment objective is to generate a level of income which increases year on year, as well as the potential to grow the amount invested over a rolling period of seven to ten years. The fund's target is to have a return greater than the FTSE All-Share Total Return Index (12pm adjusted), which is used in the calculation of performance fees.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within seven years.

### Investment management team

The fund launched in November 2004, and has been managed by Senior Fund Managers Clive Beagles and James Lowen since that date.

\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

† Comparator benchmark return since launch of Class A Acc.

## Performance

When evaluating the fund's net performance, we considered rolling 12-month performance over the five-year period, as well as annualised returns for one-, three-, five-, ten-year periods and since inception to 31 December 2022. We also reviewed the fund's risk profile relative to its benchmark and its peers.

	1 year ended 31/12/2022	Annualised return for 3 years ended 31/12/2022	Annualised return for 5 years ended 31/12/2022	Annualised return for 10 years ended 31/12/2022	Annualised return since inception to 31/12/2022*
Class A Acc	(0.86)%	1.39%	1.66%	7.29%	8.66%
Class A Inc	(0.89)%	1.39%	1.65%	7.29%	8.49%
Class B Acc	(1.36)%	0.88%	1.14%	6.81%	8.17%
Class B Inc	(1.32)%	0.91%	1.16%	6.80%	8.16%
Class X Inc	(0.68)%	1.62%	1.88%	n/a	3.41%
Class Y Acc	(0.75)%	1.52%	1.78%	n/a	5.87%
Class Y Inc	(0.78)%	1.53%	1.79%	n/a	6.62%
Benchmark	0.74%	2.39%	3.09%	6.54%	6.81%†

Shorter-term performance has been affected by the background macro headwinds the team have faced. The team put an emphasis on both income and capital growth. This leads the fund to have a natural bias towards value, with value facing extended periods of underperformance over the last five or even, ten years. When value has outperformed, the fund has strongly outperformed, as we would expect. Given this context, the fund's three-year second quartile ranking versus the wider IA UK All Companies peer group is a reasonable outcome.

The fund's objective states that it aims to outperform over 'seven-to-ten-year' cycles. The fund is ahead over ten years and ranks in the top quartile versus the wider IA sector. This longer-term performance is reflected in the fund being the top-ranking fund since inception, with the fund ranking in first place in its universe (1/36 – Lipper since inception, November 2004). The Lipper ranking includes all the best-performing funds in the UK in each category.

Class X has a relatively short track record (since 2017), so we believe that the fund's performance should be put into context using the longer track record of Class A or Class B, which have strong long-term performance, as previously mentioned.

The fund has delivered on its income objective (a key part of its mandate), and provides dividend growth in the top decile of the IA sector.

JOHCM is an active fund manager and funds are managed independently of their benchmark. This is shown by a low relative correlation to the benchmark. In addition, the fund's tracking error shows overall returns move based on portfolio decisions rather than index movement.

Our assessment is that the fund overall provides 'Some value' for 'Performance'.



### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. No performance fee was charged in relation to the fund for the year ended 31 December 2022. We have also considered the profitability of the fund through an internal analysis of revenue generated by the fund against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depositary fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.75%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.81%</b>
Class A Inc	<b>0.75%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.81%</b>
Class B Acc	<b>1.25%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>1.31%</b>
Class B Inc	<b>1.25%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>1.31%</b>
Class X Inc	<b>0.55%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.61%</b>
Class Y Acc	<b>0.625%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.69%</b>
Class Y Inc	<b>0.625%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.69%</b>

For all share classes, the depositary fees are just above the average of the peer group and the other fees component within the OCF are just below the peer group averages.

This year's profitability analysis showed that the management fee revenue generated by the fund exceeds the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund. Given that the fund had average assets of c.£1,939m over the year under review, this is to be expected, and we do not consider that this margin is excessive or indicates that the level of management fees is unreasonable.

Our assessment is that the fund overall provides 'Some value' for 'Cost of fund'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depositary, registrar, administration, audit fees).

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

Classes A and X rank in the third quintile. Class Y ranks in the fourth quintile. Class B though ranks in the second quintile.

Costs for the fund have been relatively steady over the past five years, even though the fund has seen an overall decrease in AUM.

Our assessment is that the fund overall provides 'Some value' for 'Comparable market rates'.

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied over the past five years, as the size of the fund has varied.

The fund saw a decrease in the average AUM for the year ended 31 December 2022 compared to that for the year ended 31 December 2021 – as such, it was difficult for the fund to pass on any new economies of scale. However, the OCFs remained reasonably steady compared to prior years.

Our assessment is that the fund overall provides 'Good value' for 'Economies of scale'.

### Comparable services

We compared the fees charged to investors in the fund against the equivalent Irish vehicle, as well as comparing them to institutional mandates.

Costs for Classes X and Y are all within the parameters set compared to other funds and segregated mandates managed by JOHCM.

Costs for Classes A and B are within the parameters set compared to other funds. In addition, the quantity and rates of rebates applicable to Class B have also been considered.

Our assessment is that the fund overall provides 'Good value' for 'Comparable services'.

### Classes of units

We reviewed the various share classes available for the JOHCM UK Equity Income Fund. Share classes are structured to meet the needs of different investor types who may want to invest in the fund. The following share classes in the fund are available for investment:

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.75%</b>	<b>Yes</b>	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class B	<b>1.25%</b>	<b>Yes</b>	<b>£1,000</b>	<b>Larger intermediary / DFM relationships</b>
Class X	<b>0.55%</b>	<b>Yes</b>	<b>£100,000,000</b>	<b>Larger institutional clients</b>
Class Y	<b>0.625%</b>	<b>Yes</b>	<b>£50,000,000</b>	<b>Platform clients</b>

JOHCM has previously undertaken a review of unit classes and, where possible, moved investors to more appropriate unit classes via a compulsory conversion. On a periodic basis, JOHCM reviews the investors in the different share classes, and will be contacting platforms and intermediaries to make them aware of other share classes at lower fees (should their investors be able to move into them). Our assessment is that the fund overall provides 'Good value' for 'Classes of units'.



### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g. capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** The quality of the investment process has been proven over many years, as evidenced by the fund ranking in first place in its universe (1/36 – Lipper since inception, November 2004). Also, JOHCM provides investors with access to high-quality investment managers with many years' experience who have been with JOHCM for many years (as evidenced by the two UK Equity Income fund managers having 33 and 28 years' experience and managing the fund since launch in 2004).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).

- **Client communication & engagement:** JOHCM provides investors with webinars, events, monthly and quarterly portfolio reviews. JOHCM's "Build Back Better Event" in June 2022 had an average attendee rating of 4.6/5.
- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

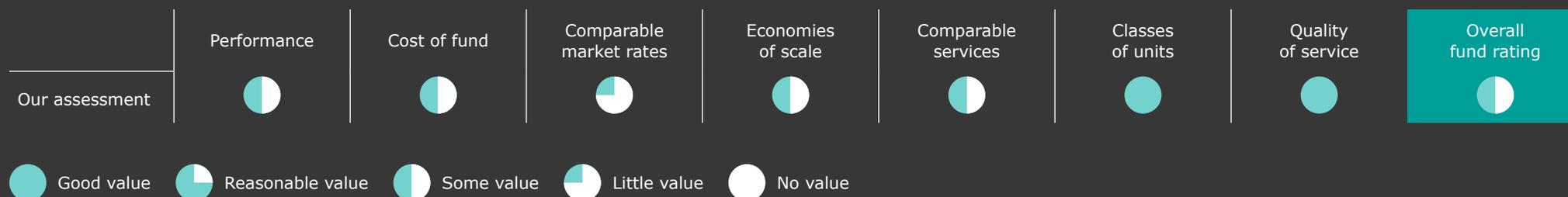
### Overall assessment of value of the fund

Our assessment is that the JOHCM UK Equity Income Fund is providing 'Reasonable value' to its investors, for the following reasons:

- The fund performance has outperformed the benchmark over the seven-to-ten-year timeframe.
- The fund's costs (excluding performance fee) are broadly in line with the peer group and reasonable compared to other services.
- The fund has continued to deliver strongly on its income focus.
- The quality of service provided to investors is high.

# I JOHCM UK Opportunities Fund

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund's investment objective is to achieve capital growth over a rolling seven-to-ten-year period as well as providing income. The fund's target is to have a return greater than the FTSE All-Share Total Return Index (12pm adjusted), which is used in the calculation of performance fees.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within seven years.

### Investment management team

The fund launched in November 2005. Rachel Reutter and Michael Ulrich have been part of the team managing the fund since 2012 and 2015 respectively, moving to Senior Fund Manager roles in July 2015.

\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

† Comparator benchmark return since launch of Class A Acc.

## Performance

When evaluating the fund's net performance, we considered rolling 12-month performance over the five-year period, as well as annualised returns for one-, three-, five-, ten-year periods and since inception to 31 December 2022. We also reviewed the fund's risk profile relative to its benchmark and its peers.

	1 year ended 31/12/2022	Annualised return for 3 years ended 31/12/2022	Annualised return for 5 years ended 31/12/2022	Annualised return for 10 years ended 31/12/2022	Annualised return since inception to 31/12/2022*
Class A Acc	(4.02)%	0.49%	2.40%	6.23%	6.99%
Class A Inc	(4.09)%	0.46%	2.38%	6.09%	7.76%
Class B Acc	(4.53)%	(0.01)%	1.89%	5.73%	6.69%
Class B Inc	(4.55)%	(0.05)%	1.88%	5.59%	7.26%
Class X Acc	(3.94)%	0.48%	2.46%	n/a	4.76%
Class X Inc	(3.93)%	0.68%	2.59%	n/a	4.45%
Class Y Acc	(3.95)%	0.63%	2.53%	n/a	5.70%
Class Y Inc	(3.95)%	0.57%	2.51%	n/a	5.60%
Benchmark	0.74%	2.39%	3.09%	6.54%	6.02%†



The fund's objective is to outperform its benchmark over a seven-to-ten-year period – however, both the classes (Classes A and B) with this length of track record have underperformed the benchmark.

Since the fund's inception (November 2005) to end December 2022, the Class A Acc and Class B Acc have both outperformed the benchmark.

The fund's underperformance in recent years has been characterised by a number of unfavourable macro backdrops which we wouldn't expect the fund to perform well in. The team put an emphasis on preservation of capital whilst providing steady capital growth. Following Russia's invasion of Ukraine and the ensuing rise in inflation we saw in 2022, the UK stock market's leadership narrowed significantly, with energy names and banks performing well. Indeed, 2022 was the worst year on record for active managers. The fund was underweight in both of these sectors, as they did not meet the quality screens the team apply to their universe; the sharp reversal in the performance of global banks in March this year underscored their sensitivity to rising interest rates. Given the difficult backdrop during Covid lockdowns, oil stocks had little earnings stability or sales growth stability, and the significant underweight (c. -8%) provided a material headwind to performance over the year (-322bps).

Despite the global rally in equity markets since the lows at the end of September 2022, the normalisation of interest rates brought significant bouts of volatility and sharp rotations in market leadership. Against the backdrop, the fund outperformed the market and peer group over one year, six months, three months and one month to the end of March 2023.

As per the objective, the fund also seeks to provide income. The fund has consistently provided investors with ongoing income yield above the average within the comparison groups, delivering on that part of the objective.

JOHCM is an active fund manager and funds are managed independently of their benchmark. This is shown by a low relative correlation to the benchmark. In addition, the fund's tracking error shows overall returns move based on portfolio decisions rather than index movement.

Our assessment is that the fund overall provides 'Some value' for 'Performance'.

### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. No performance fee was charged in relation to the fund for the year ended 31 December 2022. We have also considered the profitability of the fund through an internal analysis of revenue generated by the fund, against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depositary fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.75%</b>	<b>0.03%</b>	<b>0.14%</b>	<b>0.92%</b>
Class A Inc	<b>0.75%</b>	<b>0.03%</b>	<b>0.13%</b>	<b>0.91%</b>
Class B Acc	<b>1.25%</b>	<b>0.03%</b>	<b>0.14%</b>	<b>1.42%</b>
Class B Inc	<b>1.25%</b>	<b>0.03%</b>	<b>0.14%</b>	<b>1.42%</b>
Class X Acc	<b>0.60%</b>	<b>0.03%</b>	<b>0.14%</b>	<b>0.77%</b>
Class X Inc	<b>0.60%</b>	<b>0.03%</b>	<b>0.14%</b>	<b>0.77%</b>
Class Y Acc	<b>0.625%</b>	<b>0.03%</b>	<b>0.13%</b>	<b>0.79%</b>
Class Y Inc	<b>0.625%</b>	<b>0.03%</b>	<b>0.13%</b>	<b>0.79%</b>

Across all share classes, the 'other fees' component within the OCF is generally still higher than the peer group average. The majority of these fees are related to transfer agency and registrar fees, but there has been a reduction in these fees as a result of work undertaken over the last year.

When looking solely at the management fee element of the OCF, for Classes A, B and X this is below or in line with the average for the peer group, whilst for Class Y it is above.

This year's profitability analysis found that the management fee revenue generated by the fund exceeds the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund. However, we do not consider that this margin is excessive or indicates that the level of management fees is unreasonable.

Our assessment is that the fund overall provides 'Some value' for 'Cost of fund'.

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

Class B ranks in the second quintile; Classes X and Y rank in the fourth quintile; whilst Class A ranks in the fifth quintile of the peer group for overall costs.

Our assessment is that the fund overall provides 'Little value' for 'Comparable market rates'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depositary, registrar, administration, audit fees).

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied over the past five years, as the size of the fund has varied.

Over the last five years, the average net assets of the fund have decreased each year. This means it is difficult for any fund-level economies of scale to be generated and passed on to investors. However, the fund still benefits from corporate-level economies of scale.

Our assessment is that the fund overall provides 'Some value' for 'Economies of scale'.

### Comparable services

We compared the fees charged to investors in the fund against the equivalent Irish vehicle, as well as institutional third-party mandates that are managed by JOHCM.

Costs for Class X are within the parameters set compared to other funds and segregated mandates managed by JOHCM.

Costs for Classes A, B and Y are within the parameters set for other funds.

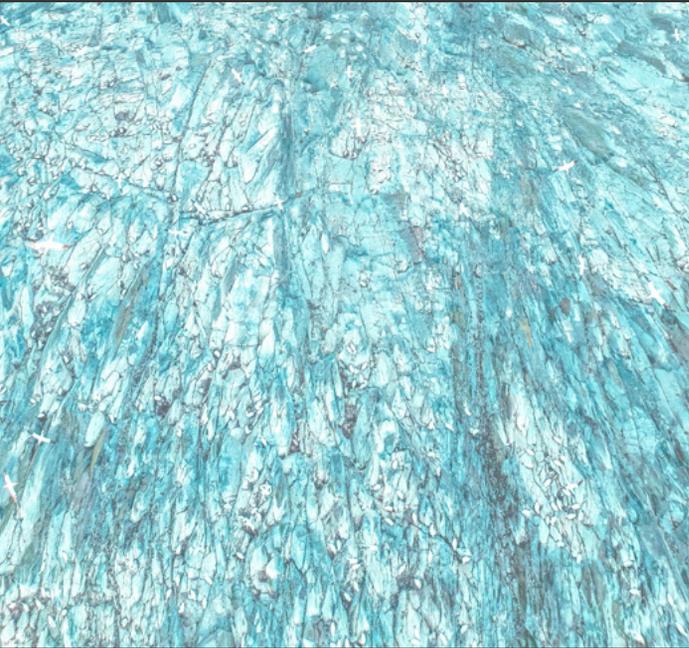
Our assessment is that the fund overall provides 'Some value' for 'Comparable services'.

### Classes of units

As with last year, we reviewed the various share classes available for the JOHCM UK Opportunities Fund. Share classes are structured to meet the needs of different investor types who may want to invest in the fund. The following share classes in the fund are available for investment:

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.75%</b>	<b>No</b> (since 1 March 2021)	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class B	<b>1.25%</b>	<b>Yes</b>	<b>£1,000</b>	<b>Larger intermediary / DFM relationships</b>
Class X	<b>0.60%</b>	<b>Yes</b> (outperformance capped)	<b>£50,000,000</b>	<b>Larger institutional clients</b>
Class Y	<b>0.625%</b>	<b>Yes</b>	<b>£50,000,000</b>	<b>Platform clients</b>

JOHCM has previously undertaken a review of unit classes and, where possible, moved investors to more appropriate unit classes via a compulsory conversion. On a periodic basis, JOHCM reviews the investors in the different share classes, and will be contacting platforms and intermediaries to make them aware of other share classes at lower fees (should their investors be able to move into them). Our assessment is that the fund overall provides 'Good value' for 'Classes of units'.



### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g. capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** JOHCM provides investors with access to high-quality investment managers with many years' experience who have been with JOHCM for many years (as evidenced by the two UK Opportunities fund managers having 26 and 16 years' experience and managing the fund since 2015).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).
- **Client communication & engagement:** JOHCM provides investors with webinars, events, monthly and quarterly portfolio reviews. JOHCM's "Build Back Better Event" in June 2022 had an average attendee rating of 4.6/5.

- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

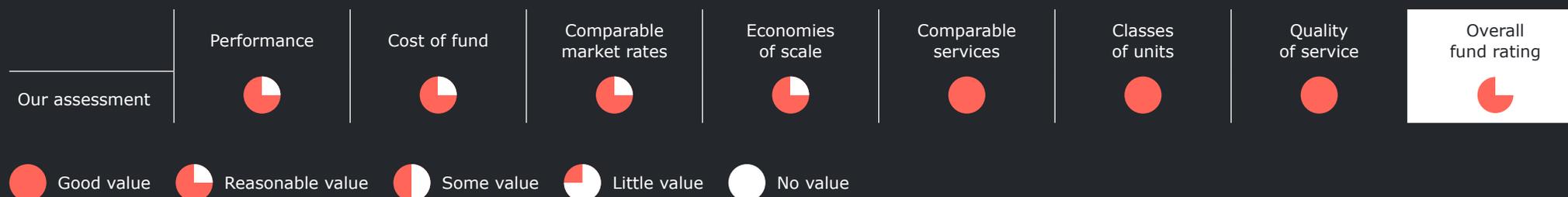
### Overall assessment of value of the fund

Our assessment is that the JOHCM UK Opportunities Fund is providing 'Some value' to its investors, for the following reasons:

- The fund's performance has been below the benchmark. However, it ranks well in comparison to peers and is doing so whilst taking on less relative risk than peers. In addition, recent term performance to the end of March 2023 has seen the fund outperform the market and peers.
- Management fees are in line with, or below, peers, and work has been carried out to try to reduce the additional costs charged.
- The quality of service provided to investors is high.

# Regnan Global Equity Impact Solutions

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund aims to achieve capital growth in excess of the MSCI ACWI IMI Index (net of fees) over rolling five-year periods, and to generate a positive impact by investing in companies that have the potential to address the world's major social and environmental challenges.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within five years.

### Investment management team

The fund launched in October 2020, and is managed by Senior Fund Manager Tim Crockford.

## Performance

As the fund has only existed for just over two years, we are limited in our performance assessment by having only one-year period and annualised since inception returns to 31 December 2022 (see below). We also reviewed the fund's risk profile relative to its comparator benchmark and its peers.

	1 year ended 31/12/2022	Annualised return since inception to 31/12/2022*
Class A Acc	<b>(15.03)%</b>	<b>1.22%</b>
Class Y Acc	<b>(14.92)%</b>	<b>1.36%</b>
Class F Acc	<b>(14.50)%</b>	<b>1.86%</b>
Benchmark	<b>(8.42)%</b>	<b>9.75%</b>

The fund is considered a longer-term investment, with an objective to outperform its benchmark over rolling five-year periods, and so at just over two years old, it is not yet long enough to judge how the fund will perform. Although the fund has underperformed the benchmark since inception, it should be noted it places in the 33rd percentile within the peer group over that time period.

\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

The fund is a long-term investment and invests in innovative solutions to environmental and social challenges. The investment process seeks to harness the compounding growth of these solutions and capture market inefficiencies. This results in a portfolio of different factor exposures at current valuations too attractive to ignore, with earnings accelerating and showing resilience. The fund gives exposure to a collection of highly differentiated small mid-cap innovators at extremely attractive valuations, which the team have conviction will be the winners of the next decade.

As well as the financial objective, the fund also has a non-financial objective “to generate a positive impact by investing in companies that have the potential to address the world’s major social and environmental challenges”. We have reviewed the fund’s exposure by theme over the course of the year. The fund has consistently been over 80% exposed to eight impact themes, which demonstrates the fund’s commitment to meeting the non-financial objective. The results are also consistent with last year.

Our assessment is that the fund overall provides ‘Reasonable value’ for ‘Performance’.



### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. Class F has a capped OCF and we have therefore considered the value to investors of this cap as part of our assessment. We have also considered the profitability of the fund through an internal analysis of revenue generated by the fund, against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depository fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.75%</b>	<b>0.03%</b>	<b>0.22%</b>	<b>1.00%</b>
Class Y Acc	<b>0.625%</b>	<b>0.03%</b>	<b>0.25%</b>	<b>0.91%</b>
Class F Acc	<b>0.25%</b>	<b>0.03%</b>	<b>0.07%</b>	<b>0.35% (capped)</b>

Class F, which represents most of the AUM, is very competitively priced at an AMC of 25bps and an OCF capped at 35bps. JOHCM is subsidising this unit class in order to enable the fund to gain traction by attracting early investors.

The fund is yet to achieve operating scale; this will impact on costs overall.

This year's profitability analysis indicates that the management fee revenue generated by the fund is not yet exceeding the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund. JOHCM is prepared to support the operation of a newly launched fund as it grows towards scale, and we consider this to be of value to investors.

Our assessment is that the fund overall provides 'Reasonable value' for 'Cost of fund'.

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

The fund is a relatively new product and is yet to achieve operating scale – this will impact on costs and rankings against competitors, some of whom are much larger in size.

Our assessment is that the fund overall provides 'Reasonable value' for 'Comparable market rates'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depository, registrar, administration, audit fees).

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied as the size of the fund has varied.

It is difficult to judge if there are any fund-level economies of scale being passed on when the fund is only just over two years old, as there has not been sufficient history from which to see any trends in AUM and OCF emerge. However, the fund still benefits from corporate-level economies of scale.

Our assessment is that the fund overall provides 'Reasonable value' for 'Economies of scale'.

### Comparable services

We reviewed the fees charged to investors in the fund compared to the equivalent Irish vehicle, as well as institutional third-party mandates that are managed by JOHCM.

All unit classes, other than Class B, have costs within the parameters set compared to other funds and segregated mandates. We consider that these are appropriately priced for the intended investor type and in line with other global equity funds managed by JOHCM.

Our assessment is that the fund overall provides 'Good value' for 'Comparable services'.

### Classes of units

We reviewed the various share classes available for Regnan Global Equity Impact Solutions. Share classes are structured to meet the needs of different investor types who may want to invest in the fund. The following share classes in the fund are available for investment:

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.75%</b>	<b>No</b>	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class B	<b>1.50%</b>	<b>No</b>	<b>£1,000</b>	<b>Larger intermediary / DFM relationships</b>
Class F*	<b>0.25%</b>	<b>No</b>	<b>£1,000,000</b>	<b>Seed investors</b>
Class Y	<b>0.625%</b>	<b>No</b>	<b>£100,000,000</b>	<b>Larger institutional clients</b>

Given the fund is only just over two years old with the majority of investors in the seed share class, it is considered that all shareholders investing in the fund are in the appropriate unit classes. Our assessment is that the fund overall provides 'Good value' for 'Classes of units'.

\*Class F is only available to seed investors in the fund and is now closed.

### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g. capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** The investment team have considerable ability to engage and drive change, and engage actively with the aim of mitigating negative impacts, particularly those impacts that the broader market is not engaging on (i.e. impacts that the broader market has overlooked). JOHCM provides investors with access to high-quality investment managers with many years' experience (as evidenced by the members of the Regnan Global Equity Impact Solutions investment team having 47 years' experience between them and managing the fund since launch).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).

- **Client communication & engagement:** JOHCM provides investors with webinars, events, monthly and quarterly portfolio reviews. JOHCM's "One Mindset. Different Minds: Global Equities Roadshow" in November/December 2022 received an average client rating of 4.6/5.
- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

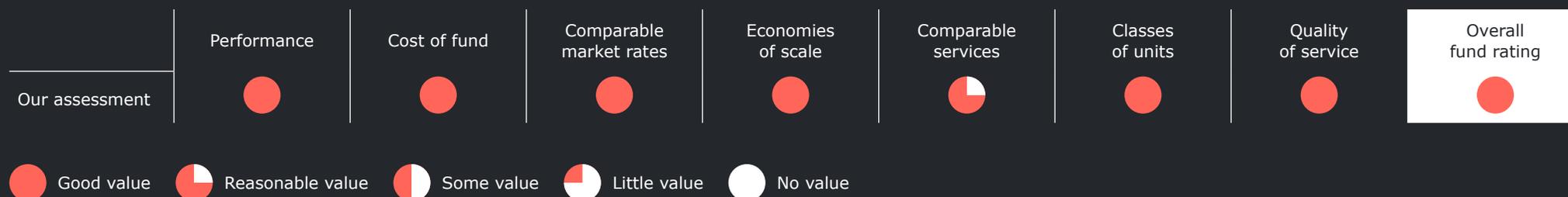
### Overall assessment of value of the fund

Our assessment is that Regnan Global Equity Impact Solutions is providing 'Reasonable value' to its investors, for the following reasons:

- The fund is a highly differentiated proposition, giving investors exposure to small and mid-cap companies which will derive their future growth from positive impact solutions.
- It is not yet long enough to judge the financial performance of the fund, but the fund is meeting its non-financial objective in terms of its exposure to positive impact themes.
- The fund's seed share class is very competitively priced and is the class the majority of investors are invested in.
- The quality of service provided to investors is high.

# Regnan Sustainable Water and Waste Fund

The below table shows the ratings for the fund for each criterion:



## Fund details

### Investment objective

The fund aims to achieve capital growth over rolling five-year periods, and to pursue a sustainable objective by investing in companies which provide solutions to global water and/or waste-related challenges.

### Recommended holding period

The fund may not be suitable for those investors who plan to withdraw their money within five years.

### Investment management team

The fund launched in September 2021, and is managed by Senior Fund Manager Bertrand Lecourt and Fund Manager Saurabh Sharma.

## Performance

As the fund has only existed for just over one year, we are limited in our performance assessment by having only one-year period and annualised since inception returns to 31 December 2022 (see below). We also reviewed the fund's risk profile relative to its comparator benchmark and its peers.

	1 year ended 31/12/2022	Annualised return since inception to 31/12/2022*
Class A Acc	<b>(8.34)%</b>	<b>(0.41)%</b>
Class Y Acc	<b>(8.15)%</b>	<b>(0.24)%</b>
Class F Acc	<b>(7.76)%</b>	<b>0.33%</b>
Benchmark	<b>(8.40)%</b>	<b>(2.47)%</b>

The fund has outperformed the MSCI All Country World Index – its reference benchmark – since its inception to the end of 2022.

\* Since inception returns have been calculated from the first working day of the month following the launch date, as per Broadridge methodology.

The fund is considered a longer-term investment. As it was only 15 months old at the end of the period under review, there is not enough history to fully evaluate performance.

It should be noted that whilst there are other funds that invest in the water sector, many do not also invest in waste, so the fund is therefore one of the few that offer access to this sector as well.

The fund is meeting its sustainable objective as demonstrated by the purity of the portfolio. Throughout the year ended 31 December 2022, the fund's exposure to the water and waste themes was c. 89-91%.

Our assessment is that the fund overall provides 'Good value' for 'Performance'.



### Cost of fund

We have compared the component costs that make up the Ongoing Charges Figure (OCF) of the fund individually, as well as to other funds in its peer group. Class F has a capped OCF, and we have therefore considered the value to investors of this cap as part of our assessment. We have also considered the profitability of the fund, through an internal analysis of revenue generated by the fund against the corporate costs incurred in running the fund.

	Annual Management Charge* (AMC)	Depository fees	Other fees	Ongoing Charges Figure* (OCF) (as at 31/12/2022)
Class A Acc	<b>0.85%</b>	<b>0.03%</b>	<b>0.18%</b>	<b>1.06%</b>
Class Y Acc	<b>0.75%</b>	<b>0.03%</b>	<b>0.20%</b>	<b>0.98%</b>
Class F Acc	<b>0.35%</b>	<b>0.03%</b>	<b>0.12%</b>	<b>0.50% (capped)</b>

Class F, which represents most of the AUM, is very competitively priced at an AMC of 35bps and an OCF capped at 50bps. JOHCM is subsidising this unit class, in order to enable the fund to gain traction by attracting early investors.

The 'other fees' component of the costs is expected to decrease as the size of the fund increases – given the short operating history of the fund, it has not yet had the opportunity to do so.

This year's profitability analysis indicates that the management fee revenue generated by the fund is not yet exceeding the corporate-level costs (for example, investment team costs, other staff costs, property costs, professional fees) allocated to the operation of the fund. JOHCM is prepared to support the operation of a newly launched fund as it grows towards scale, and we consider this to be of value to investors.

Our assessment is that the fund overall provides 'Good value' for 'Cost of fund'.

### Comparable market rates

We have compared the Ongoing Charges Figure (OCF) of the fund to other funds in its peer group and the wider universe.

It is difficult to compare market rates when the peer group remains small. The fund is the smallest in the group and is a new product. Both of these factors will impact costs and relative rankings.

Our assessment is that the fund overall provides 'Good value' for 'Comparable market rates'.

\* The Annual Management Charge consists of the fees paid to the Authorised Fund Manager (JOHCM Funds (UK) Limited) and Investment Manager (JOHCM) for their services each year. The Ongoing Charges Figure includes all the fees incurred in running the fund each year (including the AMC and expenses for other services e.g. depository, registrar, administration, audit fees).

### Economies of scale

We have reviewed how the fund's costs as a percentage of overall assets have varied as the size of the fund has varied.

It is difficult to judge if there are any fund-level economies of scale being passed on when the fund is only just over a year old, as there has not been sufficient history from which to see any trends in AUM and OCF emerge. However, the fund still benefits from corporate-level economies of scale.

Our assessment is that the fund overall provides 'Good value' for 'Economies of scale'.

### Comparable services

We reviewed the fees charged to investors in the fund compared to the equivalent Irish vehicle, as well as institutional third-party mandates that are managed by JOHCM.

All unit classes, other than Class B, have costs within the parameters set compared to other funds and segregated mandates. We consider that these are appropriately priced for the intended investor type and in line with other global equity funds managed by JOHCM.

Our assessment is that the fund overall provides 'Reasonable value' for 'Comparable services'.

### Classes of units

We reviewed the various share classes available for the Regnan Sustainable Water and Waste Fund. Share classes are structured to meet the needs of different investor types who may want to invest in the fund. The following share classes in the fund are available for investment:

	Annual Management Charge	Performance fee applicable	Minimum investment	Intended investor type
Class A	<b>0.85%</b>	<b>No</b>	<b>£1,000</b>	<b>Retail, wholesale clients</b>
Class B	<b>1.50%</b>	<b>No</b>	<b>£1,000</b>	<b>Larger intermediary / DFM relationships</b>
Class F*	<b>0.35%</b>	<b>No</b>	<b>£1,000,000</b>	<b>Seed investors</b>
Class Y	<b>0.75%</b>	<b>No</b>	<b>£100,000,000</b>	<b>Larger institutional clients</b>

Given the fund is only just over a year old with the majority of investors in the seed share class, it is considered that all shareholders investing in the fund are in the appropriate unit classes. Our assessment is that the fund overall provides 'Good value' for 'Classes of units'.

\*Class F is only available to seed investors in the fund and is now closed.

### Quality of service

We have reviewed the quality of service at a corporate level as well as at fund level.

At the corporate level, this included an assessment of how the JOHCM approach benefits its investors, e.g., capping fund sizes to protect performance.

On a fund level, we have evaluated a range of factors, including the quality of the investment decision-making process, the timeliness and accuracy of client reporting, and the quality of the fund services (including those provided by third-party providers).

- **Investment process:** JOHCM provides investors with access to high-quality investment managers with many years' experience (as evidenced by the two Regnan Sustainable Water and Waste fund managers having 11 and 21 years' experience and managing the fund since launch).
- **Awards:** At a corporate level, evidence of JOHCM's ability as an investment manager can be seen from JOHCM winning the award for 'Best Asset Manager' at the 2023 Morningstar Asset Manager Awards (this was based on a firm-level score using funds with five-year Morningstar ratings).

- **Client communication & engagement:** JOHCM provides investors with webinars, events, monthly and quarterly portfolio reviews. JOHCM's "One Mindset. Different Minds: Global Equities Roadshow" in November/December 2022 received an average client rating of 4.6/5.
- **Fund services:** Throughout the year, there have been regular service reviews held to evaluate our third-party service providers. These reviews have captured all elements of the service provided (e.g. custody, fund accounting, shareholder services, middle office). These reviews have demonstrated that, over the year, our current providers delivered an acceptable level of service to our end investors.

After considering all these aspects, our assessment is that the fund overall provides 'Good value' for 'Quality of service'.

### Overall assessment of value of the fund

Our assessment is that Regnan Sustainable Water and Waste Fund is providing 'Good value' to its investors, for the following reasons:

- The fund provides investors with access to a unique theme – water and waste. The investment team are committed to maintaining exposure to both water and waste themes, with 55% of assets exposed to the water theme and 35% of assets exposed to the waste theme as of 31 December 2022.
- Ongoing costs seem in line with peers, especially given the fund size.
- The fund seems to be outperforming both its peer and the benchmark, though the operating history is very limited and the peer group is very small.
- The quality of service provided to investors is high.

# | Important information

**Past performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations, and you may not get back the amount originally invested.**

For further information on risks associated with investing in a fund and full investment objectives and policy, please refer to the fund's Prospectus and Key Investor Information Document (KIID).

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