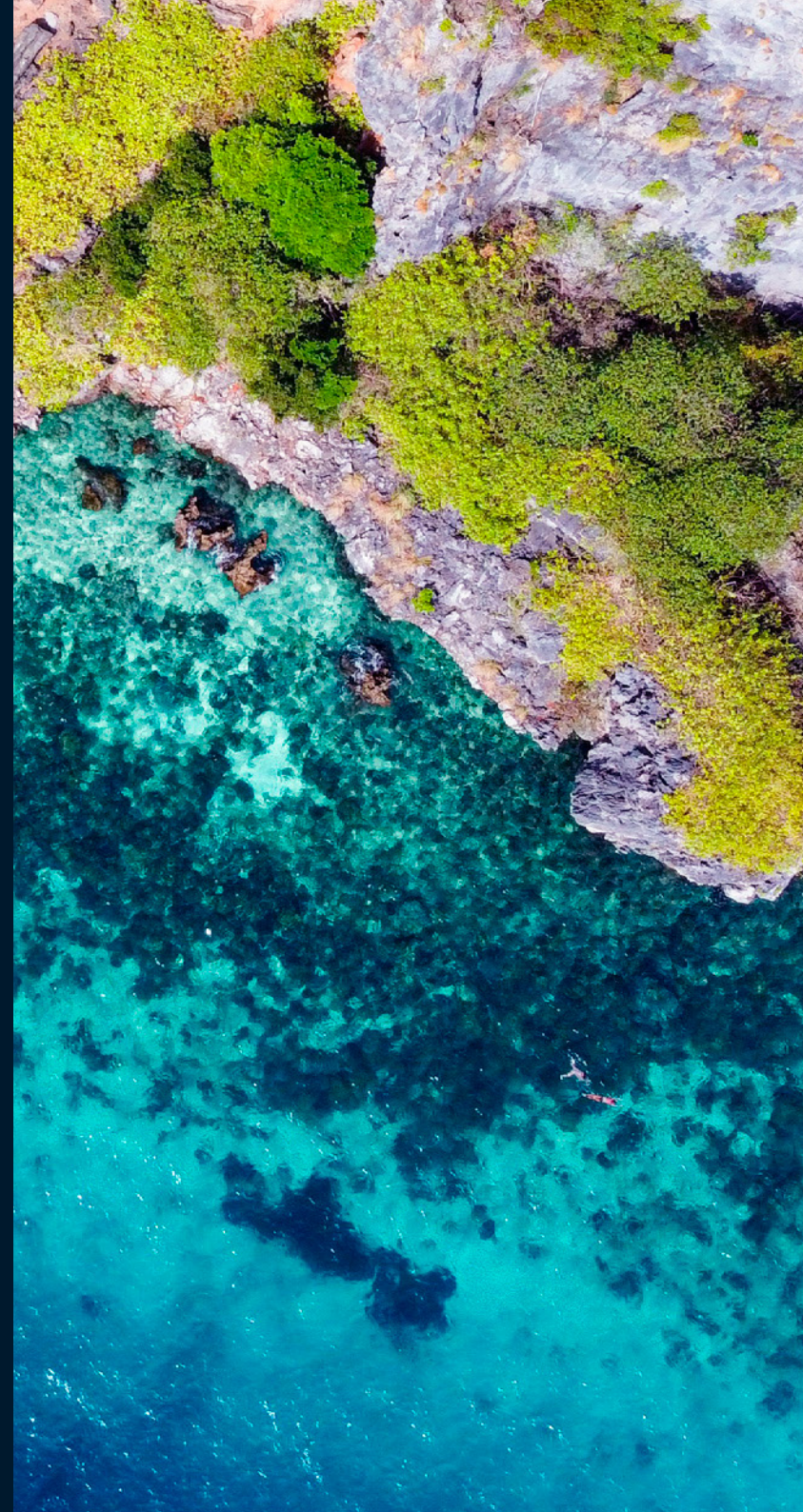


Investment Fund Services

Value assessment report

IFSL Evenlode Investment Funds ICVC

30 June 2025



Please refer to our website for further information on any of the funds in this assessment.

ifslfunds.com

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Introduction

Welcome to Investment Fund Services, also known as IFSL. We are an Authorised Fund Manager (AFM) and have responsibility for operating the funds detailed in this report.

I am Katherine Damsell and act as an independent chair to the Investment Fund Services Board of Directors. Along with the board, I have a duty to you, our customer, to ensure we manage our funds in your best interests. Part of this responsibility includes carrying out each year an assessment of value on our funds and determining whether the fees and charges are justified as part of the overall value we deliver to you. We then publish our findings in a value assessment report, to provide you with the relevant information needed to help you make informed decisions about your investment.

This report is split into two sections, the first contains the results of our assessment, which covers the last 12 months up until 28 February 2025. The second part of the report includes a helpful guide about the value assessment, including the specific criteria we assess our funds against.

Our overall assessment of value is summarised [here](#). This is where we confirm for the reporting period whether we have concluded if fees and charges are justified in the context of overall value delivered to investors. Where fees and charges are not justified in the context of overall value delivered to investors, we confirm the appropriate steps that have been determined to address this.

We hope you find this report useful and if you have any suggestions on how we could make improvements or help make things clearer, we would love to hear from you, please get in touch using the details in the 'Contact us' section at the end of this report.

Katherine Damsell
Chair of the IFSL Board of Directors

Each year, we complete an assessment of value on our funds and report whether fees and charges are justified as part of the overall value we deliver to you, our customers.



Assessment criteria

The seven minimum criteria we must consider when assessing value are:

01

Quality of service

Does the range and quality of service offer value?

02

Performance

How did the Fund perform after the deduction of all payments? This should be over an appropriate timescale, taking into consideration the investment objective, policy and strategy.

03

AFM costs

Do our charges for the AFM service we provide represent value?

04

Economies of scale

Are economies of scale being generated and, where relevant, are these being passed on to our customers?

05

Comparable services

Are the Fund's charges reasonable in comparison to other comparable services offered by the AFM?

06

Comparable market rates

How do the Fund's charges compare against similar funds in the market?

07

Share classes

Are customers in the cheapest or most relevant available share class based on their characteristics?

We are not limited to the seven criteria, but to date have found these seven to be comprehensive enough to complete a thorough value assessment. However, Investment Fund Services continuously keep this under review and will incorporate further criteria if we think it would help customers to make informed decisions about their investments in the context of value being delivered.

Fund assessments

Fund information

IFSL Evenlode Income Fund

Launch Date	19/10/2009
Launch Date Investment objective	The aim of the Fund is to increase the value of an investment over a minimum period of 5 years. The Fund will do this through a combination of income received and capital growth, with an emphasis on income.
Method for assessing fund performance	<p>The FTSE All Share Index and the IA UK All Companies sector have been chosen as the Fund's comparator benchmarks.</p> <p>The FTSE All Share Index covers UK companies of all sizes, aligning with the Fund's share selection process. It contains shares which are aligned to the Fund's UK focus, making it a suitable performance benchmark. However, the Fund is not managed to follow or match the index.</p> <p>The IA UK All Companies sector consists of funds with similar characteristics. However, unlike the Fund, not all of these focus on income. As the Fund prioritises income over capital growth, it may underperform its peers when growth shares perform well and outperform them when such shares do not.</p> <p>We take the above into consideration when assessing the performance of the Fund.</p>
Fund size (£m)	3,009.0

IFSL Evenlode Global Income Fund

Launch Date	20/11/2017
Launch Date Investment objective	The aim of the Fund is to increase the value of an investment over a minimum period of 5 years. The Fund will do this through a combination of income received and capital growth, with an emphasis on income.
Method for assessing fund performance	<p>The MSCI World Index (GBP) and the IA Global Equity Income sector have been chosen as the Fund's comparator benchmarks.</p> <p>The MSCI World Index (GBP) is a broad global index covering a wide range of large and mid-cap companies. This aligns with the Fund's approach to selecting shares and the index reflects the Fund's focus on developed markets worldwide, so is considered a suitable performance comparator. However, the Fund is not managed to or constrained by the index.</p> <p>The IA Global Equity Income sector consists of funds with similar characteristics. The sector aligns with the Fund's approach to asset allocation and income generation and is considered an appropriate performance comparator for the Fund.</p> <p>We take the above into consideration when assessing the performance of the Fund.</p>
Fund size (£m)	1,656.0

Fund information (continued)

IFSL Evenlode Global Equity Fund

Launch Date	15/07/2020
Launch Date Investment objective	The aim of the Fund is to increase the value of an investment over a minimum period of 5 years.
Method for assessing fund performance	<p>The MSCI World Index (GBP) and the IA Global sector have been chosen as the Fund's comparator benchmarks.</p> <p>The MSCI World Index (GBP) is a broad global index covering a wide range of large and mid-cap companies. This aligns with the Fund's approach to selecting shares and the index reflects the Fund's focus on developed markets worldwide, so is considered a suitable performance comparator. However, the Fund is not managed to or constrained by the index.</p> <p>The IA Global sector consists of funds with similar characteristics. The sector aligns with the Fund's approach to asset allocation and is considered an appropriate performance comparator for the Fund.</p> <p>We take the above into consideration when assessing the performance of the Fund.</p>
Fund size (£m)	440.0

Please note:

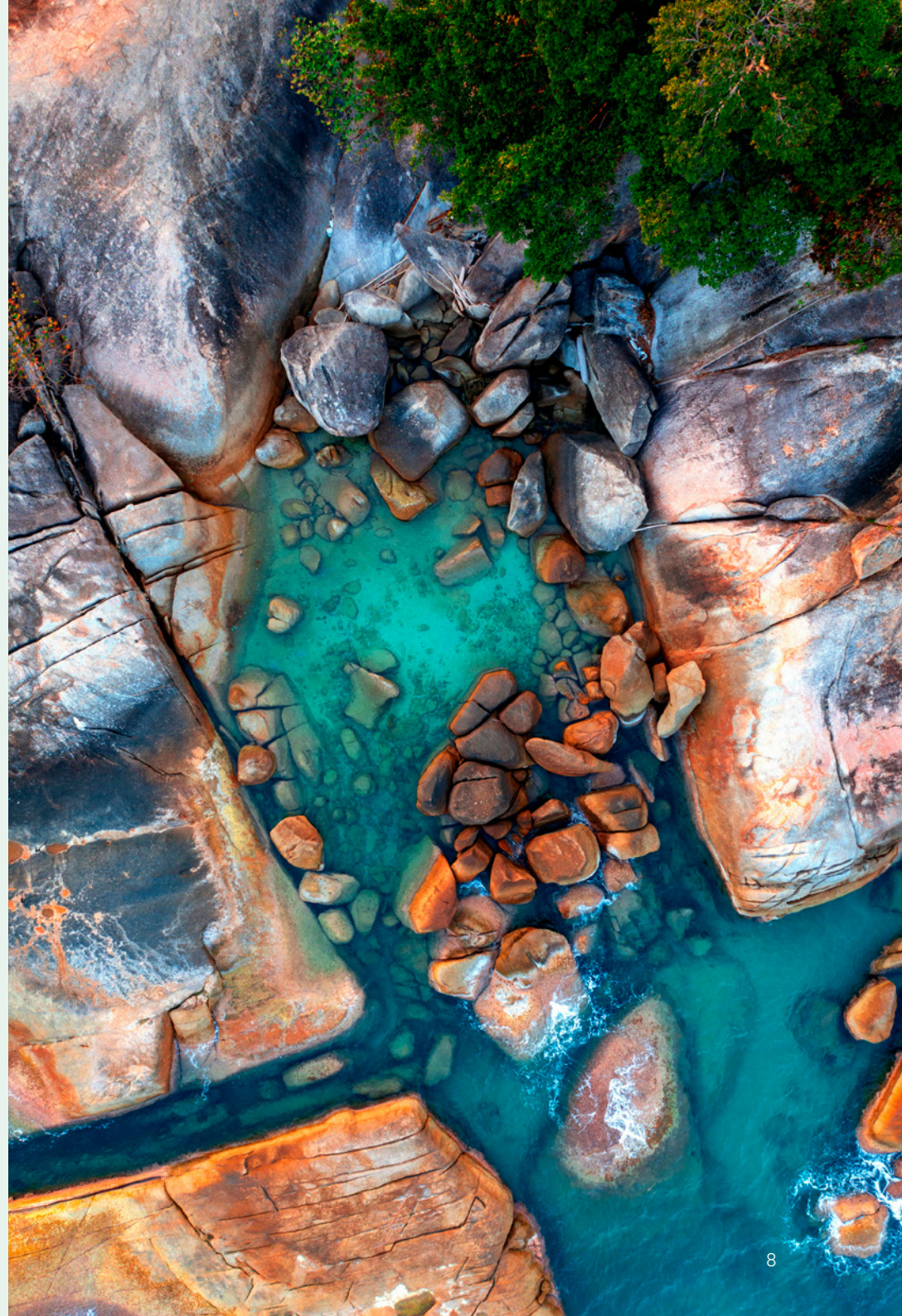
From 2 December 2024 the Fund documentation for all the IFSL Evenlode Funds was updated to include the investment manager's approach to managing Environmental, Social, and Governance (ESG) risks. The first ESG report, called the Sustainability Disclosure Requirements (SDR) report, is due by 31 December 2025, and will be reviewed as part of next year's value assessment process.

Fund information – Key parties

Here is a list of the parties that provide services to the Funds

Authorised fund manager	Investment Fund Services Limited
Sponsor	Evenlode Investment Management Limited
Investment manager	Evenlode Investment Management Limited
Administrator	SS&C Financial Services International Limited
Depository	NatWest Trustee & Depositary Services Limited
Custodian	Caceis Bank
Auditor	Ernst & Young LLP

For more information on the types of services these parties provide, please refer to [**Our assessment process**](#)



Assessment summary

This assessment is based on the 12 months preceding 28 February 2025.

Fund	Quality of service	Performance	AFM costs	Economies of scale	Comparable market rates	Comparable services	Share classes
IFSL Evenlode Income	■■■	■■■	■■■	■■■	■■■	■■■	■■■
IFSL Evenlode Global Income	■■■	■■■	■■■	■■■	■■■	■■■	■■■
IFSL Evenlode Global Equity	■■■	■■■	■■■	■■■	■■■	■■■	■■■

Rating definition

■■■ Fees justified

■■■ Fees justified but targeting improvement

■■■ Requires improvement

■■■ Too soon to rate*

* Funds with a shorter-term performance record are not assessed against the performance criteria until they have reached the minimum timeframe detailed within their objective.

Identified actions

- Performance

We will monitor the performance of the IFSL Evenlode Global Income Fund and work with the investment manager to target improvements.

Overall conclusion

We are satisfied that the charges taken from the Funds above are justified in the context of the overall value delivered to investors.

Quality of service

We have assessed each party that provides services to the Funds, categorising each into the following areas:

Our services

- ▀ The quality of governance and due diligence completed by our teams that oversee the sponsor, investment manager and administrator.
- ▀ Our risk management and mitigation processes.
- ▀ Our product governance processes and where appropriate, relevant action taken to deliver good outcomes for customers.
- ▀ Our quality and timeliness of communications to our customers so they can make informed decisions about their investments.
- ▀ Complaint analysis and resolution.

The services of the investment management and sponsor

- ▀ The quality of the investment manager's processes, their adherence to key investment parameters and service level agreements.
- ▀ The effectiveness of the sponsor, including any developments made to the Funds and how they have been distributed.

Administration

- ▀ The upkeep and maintenance of customer records.
- ▀ Timeliness and quality of transactions following customer requests.
- ▀ Quality of fund administration processes and adherence to service level agreements.
- ▀ Quality of customer services including response times to investor queries.

Services of the independent third parties

- ▀ The depositary/trustee and custodian fees against the service they provide.
- ▀ The scope of the auditor services, our interactions with them and how this compares to their fees.

Our conclusion

Overall, we are satisfied with the quality of services provided to investors by the parties involved in the management of the Funds.

Performance

02

IFSL Evenlode Income Fund

Dividend yield*	2025	2024	2023	2022	2021
IFSL Evenlode Income B	2.83%	2.73%	2.70%	2.54%	2.92%
IFSL Evenlode Income C	2.83%	2.73%	2.70%	2.54%	2.92%
IFSL Evenlode Income D	2.83%	2.73%	2.70%	2.54%	2.91%
FTSE All Share Index	3.36%	3.72%	3.43%	3.16%	2.99%
IA UK All Companies	2.16%	2.29%	1.98%	1.74%	1.44%

Annual Dividend Return at 28/02/2025. * The dividend yield displayed uses a proxy in place of the FTSE All-Share Index.

Performance	1 year	3 years	5 years
IFSL Evenlode Income B	7.1%	21.1%	37.4%
IFSL Evenlode Income C	7.2%	21.5%	38.1%
IFSL Evenlode Income D	7.4%	22.0%	39.0%
FTSE All Share Index	18.4%	27.7%	53.4%
IA UK All Companies	12.9%	16.5%	35.4%

Cumulative returns at 28/02/2025.

Conclusion

The Fund's objective is to increase the value of your investment over a minimum of 5 years. The Fund will do this through a combination of income received and capital growth, with an emphasis on income.

Over the last five years the Fund has delivered positive returns across all share classes. When comparing the performance to its comparator benchmarks, it underperformed the FTSE All Share Index but outperformed the IA UK All Companies sector. Over the last 12-months, the Fund continued to deliver a positive return but underperformed the average of both peer groups.

The investment manager focuses on financially strong, stable companies that show consistent growth and an ability to pay a growing dividend. These businesses tend to deliver steady profits, have lower risk, and maintain a competitive edge, making them suitable for long-term

investing – even during volatile market conditions. They also balance the potential returns on these investments against the risks faced by each company, including Environmental, Social and Governance (ESG) factors.

Relative to the FTSE All Share Index, the Fund's underperformance last year was largely due to excluding UK banking, energy, and mining sectors, which did well over that period – these sectors do not align with the Fund's investment approach and were therefore not included in the portfolio. As noted in the Fund information section, the Fund is not designed to track the FTSE All Share Index, so its performance may differ from the wider market depending on the types of companies it holds.

We have considered all of the above factors and are satisfied with the performance delivered to investors over the assessment period.

Performance (continued)

02

IFSL Evenlode Global Income Fund

Dividend yield*	2025	2024	2023	2022	2021
IFSL Evenlode Global Income B	2.20%	2.03%	1.58%	2.00%	2.79%
IFSL Evenlode Global Income C	2.20%	2.03%	1.58%	2.00%	2.79%
IFSL Evenlode Global Income F	2.20%	2.03%	1.57%	2.62%	2.08%
MSCI World Index (GBP)**	1.43%	1.61%	1.61%	1.62%	1.50%
IA Global Equity Income	2.02%	2.25%	2.35%	2.30%	2.25%

Annual Dividend Return at 28/02/2025. * The dividend yield displayed uses a proxy in place of the MSCI World Index (GBP).

Performance	1 year	3 years	5 years
IFSL Evenlode Global Income B	5.3%	19.4%	52.5%
IFSL Evenlode Global Income C	5.4%	19.7%	53.1%
IFSL Evenlode Global Income F	5.6%	20.4%	54.7%
MSCI World Index (GBP)**	16.2%	42.7%	94.6%
IA Global Equity Income	12.1%	30.9%	65.1%

Cumulative returns at 28/02/2025. ** MSCI World Index converted to GBP terms by Morningstar.

Conclusion

The Fund's objective is to increase the value of your investment over a minimum of 5 years. The Fund will do this through a combination of income received and capital growth, with an emphasis on income.

Over the last five years the Fund has delivered positive returns across all share classes but underperformed its comparator benchmarks – the MSCI World Index and the IA Global Equity Income sector, the same was true of the 12-month assessment period.

The investment manager focuses on financially strong, stable companies that show consistent growth and an ability to pay a growing dividend. These businesses tend to deliver steady profits, have lower risk, and maintain a competitive edge, making them suitable for long-term investing – even during volatile market conditions. They also balance the potential returns on these investments against the risks faced by each company, including Environmental, Social and Governance (ESG) factors.

Relative to the MSCI World Index, the Fund's underperformance last year was largely due to market conditions that favoured a small group of large U.S. companies. These are investments that either do not align with the Fund's investment approach or were excluded on valuation or yield grounds, and were therefore not included in the portfolio. As highlighted in the Fund information section, the Fund is not managed to track the MSCI World index, so its performance may differ from the wider market depending on the types of companies it holds.

While the Fund has not outperformed its comparator benchmarks over 5 years as at the assessment date, we have considered the above factors as well as the Fund's investment policy and strategy and are satisfied with the performance delivered to investors over the assessment period.

Nevertheless, we will monitor the performance of the Fund over the next period.

Performance (continued)

02

IFSL Evenlode Global Equity Fund

Performance	1 year	3 years	Since launch*
IFSL Evenlode Global Equity B	8.1%	31.8%	62.8%
IFSL Evenlode Global Equity C	8.2%	32.1%	63.4%
IFSL Evenlode Global Equity F	8.4%	33.0%	65.1%
MSCI World Index (GBP)**	16.2%	42.7%	77.7%
IA Global	9.6%	25.7%	49.9%

Cumulative Returns at 28/02/2025. * The Fund launched on 15/07/2020. ** MSCI World Index converted to GBP terms by Morningstar.

Conclusion

The Fund's objective is to increase the value of your investment over a minimum of 5 years.

Over the period since launch the Fund has delivered positive returns across all share classes. When comparing the performance to its comparator benchmarks, it underperformed the MSCI World Index but outperformed the IA Global sector. Over the last 12-months, the Fund continued to deliver a positive return but underperformed the average of both benchmarks.

The investment manager focuses on financially strong, stable companies that show consistent growth. These businesses tend to deliver steady profits, have lower risk, and maintain a competitive edge, making them suitable for long-term investing – even during volatile market conditions.

They also balance the potential return on these investment against the risks faced by each company, including Environmental, Social and Governance (ESG) factors.

Relative to the MSCI World Index, the Fund's underperformance last year was largely due to market conditions that favoured a small group of large companies combined with having no exposure to the banking sector. These are investments that either do not align with the Fund's investment approach or were excluded on valuation grounds, and were therefore not included in the portfolio. As highlighted in the Fund information section, the Fund is not managed to track the MSCI World index, so its performance may differ from the wider market depending on the types of companies it holds.

We have considered the above factors and are satisfied with the performance delivered to investors over the assessment period.

AFM costs

03

We have considered the following fees* taken from the funds. These exclude payments to your financial adviser and/or any other firm through which you invest, as those fees are paid directly by you. More detail on the amounts taken as fees can be found in the latest annual report and accounts, this is located on our website, www.ifslfunds.com.

Our fees

Periodic charge	This percentage-based fee, as detailed in the prospectus, covers the cost of our services and enables us to pay the investment manager, the registrar, and all independent third-party providers. We regularly review and assess the cost of delivering these services, including the fees paid to the investment manager, and compare them against the income we receive.
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** Further information on the fee descriptions can be found in the assessment guide later in this report.*

→ A detailed breakdown of the amounts paid can be found in the latest annual report and accounts.

The IFSL Evenlode Global Income and IFSL Evenlode Global Equity Funds do not have any initial charges, exit charges or performance fees.

The IFSL Evenlode Income Fund is currently soft closed. This means the fund remains open, but a 5% initial charge will apply to new investors joining the Fund. This decision has been made to help protect the interests of existing investors. If you're already invested in the fund, there will be no new charges when you make additional investments.

Overall conclusion

We are satisfied that the charges taken from the Funds above are justified in the context of the overall value delivered to investors.

Economies of scale

04

We have considered the size of the Funds, the profits made by each party and how this has changed over the period. We have also considered our size and scale as AFM and how this has been used to negotiate each fee.

The Funds’ periodic charges are discounted on a tiered basis dependent on the size of each Fund to account for economies of scale. Both IFSL Evenlode Income and IFSL Evenlode Global Income already have discounted periodic charges and are therefore benefiting from economies of scale. Both funds decreased in size over the period. IFSL Evenlode Global Equity grew in size over the period but is yet to reach the size at which discounts start to be applied.

Our conclusion

We are satisfied that economies of scale are being passed onto investors in all share classes of the Funds where these are being achieved.

Comparable market rates

05

We have considered the fees listed under AFM costs covered earlier in this report. We have assessed how these compare to those charged by other similar funds available in the market and show these in the table below.

Fund	Ongoing charge figure (OCF)	Market average*
IFSL Evenlode Income B	0.88%	0.73%
IFSL Evenlode Income C	0.78%	0.73%
IFSL Evenlode Income D	0.63%	0.73%
IFSL Evenlode Global Income B	0.84%	0.90%
IFSL Evenlode Global Income C	0.74%	0.90%
IFSL Evenlode Global Income F	0.54%	0.90%
IFSL Evenlode Global Equity B	0.85%	0.87%
IFSL Evenlode Global Equity C	0.75%	0.87%
IFSL Evenlode Global Equity F	0.55%	0.87%

Source: Morningstar.

Our conclusion

We are satisfied that the fees are reasonable when compared to their relevant market rates.

For OCFs above the market average, we have reviewed them and found the fees to be appropriate relative to funds with similar target markets and distribution strategies.

* This is the mean OCF of each Fund’s peer group and represents the Funds’ primary share class as defined by the Investment Association.

Comparable services

06

For each individual charge, we have compared these to charges provided to other funds in our range, of a similar size and nature.

Our conclusion

We are satisfied that the costs are reasonable and appropriate having regard to comparable services of a similar nature.

Share classes

07

The share classes in the Funds differ in the way they treat income payments (either by distributing income or by accumulating them and reflecting this in the price) and in the level of periodic charge applied to them.

The IFSL Evenlode Income Fund offers B, C, and D share classes, while the IFSL Evenlode Global Income and Global Equity Funds offer B, C, and F share classes. The C, D and F share classes have a lower periodic charge but require a higher minimum investment compared to the B share class. These classes are intended for institutional investors, staff, charities, and associated companies.

Our conclusion

Having reviewed the different charging levels across the share classes and the customers that are invested in them, we are satisfied that all customers are in the appropriate share class based on their circumstances.



Important information

Capital is at risk. Past performance is not a guide to future performance. Investments can go down as well as up and investors may not get back the amount originally invested. This can be as a result of market movements and exchange rates between currencies.

The Funds will be exposed to stock markets and market conditions can change rapidly. Prices can move irrationally and be affected unpredictably by diverse factors, including political and economic events.

Inflation will, over time, reduce the value of your investments in real terms. This is especially true at times of high inflation. You should consider the impact of inflation when reviewing your investments.

A more detailed description of the risks that apply to our funds can be found in the fund prospectus. You are required to read the Key Investor Information Document (KIID) before making an investment.

The KIID and prospectus for all funds are available free of charge at www.ifslfunds.com or by calling 0808 178 9321.

Our assessment process

What is the value assessment?

The rules of the Financial Conduct Authority (FCA) require all AFMs to assess whether the payments out of each fund, as set out in the prospectus, are justified in the context of the overall value delivered to customers.

These assessments must be conducted at least annually using the FCA's minimum criteria, of which there are currently seven. Where a fund is not providing value for money, AFMs must explain what action they are taking to address this.

The Chair of IFSL's Board of Directors has responsibility to ensure we carry out the value assessment and is actively engaged in the process. The board of Investment Fund Services includes two independent non-executive directors who provide an unbiased perspective and challenge during the assessment process, with a keen focus on safeguarding the interests of our customers by delivering good outcomes.

Quality of service

01

Our services

This section covers the services provided by Investment Fund Services as **AFM**. We have ultimate responsibility for running each fund and we require good governance and risk management processes to be in place to ensure funds perform as expected and deliver good value.

We produce all key information about the funds, focusing on clear and timely communications that enable customers to make informed decisions about their investments.

We set the distribution strategy of each fund and oversee how the funds are promoted so that they are reaching the right customers (the target market). We also delegate some roles to other firms and oversee these firms to make sure they are performing as expected, we consider the effectiveness of the following areas in the assessment of ourselves.

- ▀ Our resource and expertise
- ▀ Our risk framework and effectiveness of controls
- ▀ How we oversee the firms we delegate to and address any issues
- ▀ Our communications with customers, including those with vulnerable characteristics
- ▀ Any product complaints or grumbles and how these were resolved

Investment managers and sponsors

As an independent AFM, we delegate the investment management to other firms and oversee these firms to ensure they provide a good service and meet expectations. The **investment manager** is responsible for the investment decisions of each fund in pursuit of the fund's aim (its objective). They also manage the level of risk taken, making sure they keep within the parameters of the investment policy. Sometimes investment managers appoint other firms to help them, we call these sub investment managers or investment advisers. These firms are also assessed in the same way as the investment managers.

The **sponsor** is a firm that collaborates with Investment Fund Services to design and promote a fund, we call this co-manufacturing. They play a key role in the commercial success of a fund because they take a lead in its promotion and distribution to the target market. Investment Fund Services oversee the sponsor, making sure their role is being performed to a good standard. Sometimes the sponsor is the same firm as the investment manager.

We base our assessment on how well they perform their respective roles, using a mix of criteria including but not limited to:

- ▀ The quality of their processes and procedures
- ▀ Their resource, research and expertise
- ▀ The effectiveness of their controls
- ▀ The effectiveness of their risk management framework
- ▀ Their adherence to the set investment parameters
- ▀ How well they managed transactional costs
- ▀ The quality and quantity of any distribution activities and literature

Quality of service (continued)

01

Administration

The administration responsibilities fall into two distinct areas.

Customer administration

This is all things related to customer requests, such as opening an account and investing your money through to selling your investment when you are ready to close your account. Do we keep your records up to date, making sure things like your address and personal details are correct? Are we on hand to deal with your questions and do we point you in the right direction if you wish to make a change to your account? We base our assessment on how well these services have been delivered.

Fund administration

This function calculates and publishes the value of each fund every business day. This is so we can calculate the correct value of your investment. We record and process transactions made by the investment manager and calculate the running cost of each fund so that you know what costs you incur, helping you to consider and compare costs before making informed investment decisions. We prepare half yearly financial statements that contain important information on each fund like its performance (once all charges have been deducted), any income distributed, and any tax that had to be paid.

We base our assessment on how well our administrator performs these tasks and how efficiently they carry out these activities against the service levels we expect. We use a mix of criteria including but not limited to:

- ▀ Customer feedback
- ▀ Adherence to agreed service levels
- ▀ Breaches and complaints records
- ▀ Scope of systems and controls
- ▀ Quality and efficiency of processes and procedures
- ▀ Quality, speed and accuracy of customer interactions

Services provided by independent third parties

These services are from the depositary, custodian and independent auditor. Depending on the type of fund and the assets held, this can sometimes also include services provided by a hedging agent or an independent valuation service.

The **depositary** is independent and has various regulatory responsibilities, the key one being overseeing us and the Fund's assets to ensure they are safeguarded for customers. We as AFM, select the depositary and negotiate their fees.

The **custodian** has responsibility for holding the Fund's assets, ensuring they are protected which minimises the risk of assets being lost or stolen. The custodian is appointed by the depositary, but we are party to the selection and negotiate their fee.

The **auditor** is an independent entity responsible for auditing the statutory accounts of the funds. They are selected and appointed by us, and we negotiate the fee they charge.

We base our assessment on a mix of criteria including but not limited to:

- ▀ Size and reputation within the industry
- ▀ Expertise, scale and involvement with regulatory and industry change
- ▀ Geographical relevance, scale and suitability
- ▀ Resource and expertise
- ▀ Quality of interactions

We work with a limited number of depositaries and custodians. There are presently two depositaries and three custodians across the entire range of funds for which we are the AFM.

Performance

02

When assessing the value of a fund’s performance during the period, we consider how it has performed against its objective and investment policy. Objectives are set out over a specific time period, such as five years, and we bear this in mind when forming our conclusions. We also take into account market conditions, as well as the activities and strategies implemented by the investment managers during the period.

For each Fund we consider:

- ▀ How well the Fund compares relative to its target, comparator or constraining benchmark
- ▀ Volatility (a measure that considers how often, and by how much, the value of an investment goes up and down)
- ▀ Fund performance, relative to a range of industry standard risk-adjusted measures
- ▀ Investment management activities and strategies undertaken in pursuit of a fund’s objective

A fund’s prospectus defines the measures used to assess performance, usually this measure will be a benchmark of which there are three different types as detailed below.

01

PERFORMANCE TARGET

This benchmark is part of a fund’s objective and outlines a specific measure it aims to achieve.

02

COMPARATOR

This benchmark is used for comparison purposes only. It helps customers compare performance to a group of similar securities (known as an index) or other funds (known as a peer group).

03

CONSTRAINT

If a fund has a constraint benchmark, it means the Investment manager is limited in how the fund’s portfolio is constructed, which can influence performance.

AFM costs

03

Fees taken from the Fund can make a big difference to overall returns, so it's important we identify each fee incurred, ensuring they are reasonable and relative to the level of service provided.

A useful way of summarising these fees is by assessing all components of the Ongoing Charges Figure (OCF). Here's what the OCF may include:

Annual management charge (AMC)/ Periodic charge*	This is a percentage fee paid to Investment Fund Services as AFM. This usually covers the costs of the investment manager and administrator but can include other parties such as the depositary or custodian if these are not charged separately.
Depositary fee	This is a percentage fee paid to the depositary.
Custody fee	This is a combination of percentage, fixed and transaction-based fees paid to the custodian.
Audit fee	This is a fixed annual fee paid to the auditor.
Independent valuer fee	This is a fee paid to a specialist firm that independently values certain products if held by a fund.
KIID fee	This is a fixed annual fee paid to cover the cost of reviewing and updating the key investor information document (KIID).
Registrar fee	This is a fee charged (usually per shareholder) to cover the costs of the administrator maintaining the shareholder register.

** Some funds do not have an AMC, instead they have either a fund management fee or the AMC is split into two fees. Some funds may also have a separate administration or sub-investment manager fee. We will tell you about these fees and which ones apply in our assessment.*

AFM costs

03

Hedging administration fee	This is a percentage fee paid to the organisation that provides currency hedging services, if applicable. These services mitigate the risk of adverse currency exchange rate movements affecting the value of investments. We will tell you if your Fund has these services.
EMX and Calastone	This is a fixed fee paid per transaction to enable straight through processing (STP) with the administrator.
Other fees	Some Funds may have the additional fees taken from the fund such as notary, legal and collateral fees, we will tell you about these if they are material to our assessment.

In our assessment of the fees, we consider the following:

- ▀ The revenue received, and profits earned after accounting for all operating costs.
- ▀ Whether the profit is proportionate given a number of factors, including the level of risk taken in operating the Fund.
- ▀ Whether the revenue is sufficient to enable parties to deliver the expected level of service quality and to enhance it over time.

We also consider when the fees were last reviewed and whether they remain competitive, accounting for factors such as changes in the size of the Funds. Our aim is to ensure that the fees taken are reasonable, competitive, and support the delivery of high-quality services to our customers.

Economies of scale

We consider two different types of economies of scale:

The size and scale of a fund

When there is a range of funds, profits from the larger funds in the range may sometimes subsidise the operation of smaller funds or be key in ensuring the long-term financial security of a firm providing services to a fund. Our assessment considers these arrangements and whether they are in the best interests of investors. If not, we will take steps to ensure that the benefits of scale are passed on to investors.

Certain services have fixed or minimum fees. This means that as funds grow, they benefit from their increase in scale as the effect of those fees on costs and charges reduces. Our aim is to ensure that each fund delivers value to customers and remains viable in its own right, considering the impact of any fixed or minimum fees.

The size and scale of Investment Fund Services

The second area of economies of scale is where we can negotiate terms for the large number of funds under our management as AFM. Investment Fund Services oversees more than 80 funds, valued at over £15 billion in total. We use our scale to negotiate fees where we think it is in the interests of all affected funds. We discuss with our suppliers the need to ensure that fees are distributed fairly and transparently across all the funds.

Depository, custody and audit relationships are negotiated across multiple funds to achieve the best possible rates. Investment Fund Services negotiates depository fees based on a sliding scale, applying lower percentage fees as funds reach specific thresholds. This ensures that economies of scale directly benefit customers.

Comparable market rates

We review the fees paid to external parties and compare each fund's OCF with similar funds in the market within the same peer group.

While market rates for depositories, custodians, and auditors may be subject to commercial confidentiality, our experience with previous fees, combined with our tender or review processes and market awareness, mean that we believe our approach secures competitive rates when contracts are reviewed or re-tendered. We ensure that these reviews occur at appropriate intervals, considering the nature of the relationships and the associated costs of changing suppliers.

When assessing fees paid to the investment manager and sponsor, we compare them against those for similar services provided to other funds for which we are AFM.

The market rates for independent AFMs are also subject to a degree of commercial confidentiality and vary based on the size and type of fund. Contracts are negotiated based on market competitiveness within the independent AFM market. Fund sponsors typically conduct thorough tendering processes and can move the funds to other independent AFMs. This ensures that Investment Fund Services remains competitive, offering value for customers.



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Comparable services

Investment Fund Services provides services to many fund ranges and we compare the fees we charge.

While the fees may differ based on factors like fund size, nature, and associated risks, we review these to ensure our fees are similar to those paid by similar funds within our range.

We also consider comparable services offered by external or delegated parties, such as the investment manager. Where providers do offer comparable services, we ask them to outline the key differences in charges and service. This helps us ensure that our investors receive good value compared to alternative products and services available from the same provider elsewhere.

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Share classes

Some funds provide multiple share classes with different fee structures for investors. We review these fee structures to ensure they are reasonable and appropriate.

Additionally, we assess whether investors are in the most appropriate share class available to them. If we identify any issues, we will tell you and transfer you to the most appropriate share class.

Investment Fund Services

CONTACT US

Customer enquiries

Please contact our dedicated customer support team who are available Monday to Friday 9:00am to 5:00pm (excluding UK bank holidays).

Write to: Investment Fund Services, Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP

Call: 0808 178 9321 or +44 1204 803 932 (if calling from overseas).

Email: ifslclientsupport@ifslfunds.com

Fax: 01204 533045

Supporting your needs

We have different ways in which we can communicate with you to support your needs and make investing with us easier.

Some of the services we can provide are listed below. However, please contact us using the details on this page so we can discuss your options and provide the right level of support for you.

- ▀ Braille or large print communications and statements
- ▀ Audio transcribed communications
- ▀ Easy read communications

Regulatory Information

Investment Fund Services and IFSL are trading names of Investment Fund Services Limited, registered in England No. 06110770. Authorised and regulated by the Financial Conduct Authority in the UK (FRN464193). Registered Office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Investment Fund Services is part of Marlborough Group Holdings Limited, registered in England No. 10078930.