



IBMS
INVESTMENT PORTFOLIO
ANNUAL REVIEW TO
DECEMBER 2024 & MID
YEAR REPORT TO MAY 2025

1. EXECUTIVE SUMMARY

Overarching Objectives Summary	YTD*	2024	3 Years	5 Years	Inception
Deliver a Real Return (above CPI)					
Risk Management					
Invest within ESG Framework					
Diversification, Flexibility & Liquidity					
Reinvestment of Income					
Outperform Peer Group Benchmark					

*12/05/2025

This review refers to data over multiple periods. This includes a summary above against objectives over various periods. This review incorporates both a formal annual review to the end of 2024 and a snapshot of performance over the course of 2025.

The value as at 12/05/2025 was £12,212,592.

As you will recall, we restructured the long term portfolio at the end of 2023 with assets being split between both Waverton and Sarasin. This was after the creation of a Thematic portfolio, designed have significant exposure to healthcare and a stronger ESG (Enviromental, Social & Governance) approach.

The year end and current split of investments are detailed below.

The combined portfolio is head of the CPI target over the all time frames despite this proving a challenging headwind over the past 5 years. All strategies remain comfortably ahead of peers over all timeframes, screening positively on a risk adjusted basis as well. More details on this are included later in the report.

As a reminder, the medium and long term portfolios have been closed, performance data is no longer included (but remains part of the overall performance data).

There is a further £1,710,242 held by way of liquidity funds (of which £600,000 is due to be imminently withdrawn) via M&G. This is excluded from this report as these are considered part of your cash reserves, rather than part of your investment portfolio.

Portfolio Manager	Sub-Strategy	31/12/2024	12/05/2025
Sarasin	Long-term Portfolio (Core)	£2,049,386	£1,997,845
Waverton	Long-term Portfolio (Satellite)	£5,981,524	£5,868,951
Sub-Total		£8,030,910	£7,866,795
LGT	Thematic Portfolio	£4,374,708	£4,345,796
Sub-Total		£4,374,708	£4,345,796
Total		£12,405,618	£12,212,592

2. OBJECTIVES (RECAP)

PRIMARY OBJECTIVES

1. Maintain real value: The main objective is to ensure that the portfolio as a whole maintains the "real" value (i.e. it grows at least in line with inflation). This is a medium to long term objective and there therefore may be individual years where this is not achieved.

Risk Management: The portfolio as a whole should be managed in line with the framework stated under the Investment Risk statement covered later in this document.

Invest within ESG* framework: We expect that our investments are fully compliant with our ESG policy, which is detailed further in this document.

SECONDARY OBJECTIVES

3. Diversification, flexibility & liquidity: To invest in a way that provides a high level of diversification, flexibility and also to ensure there is liquidity over and above the cash deposits (with limited exposure to market movements), to encourage the assets are used for projects that will benefit its members.

4. Reinvestment: Income generated is to be reinvested to assist with the long-term growth objective, assuming the IBMS continues to operate at a surplus.

*Environmental, Social & Governance

3. PORTFOLIO RETURNS – LONG-TERM

The long-term portfolio is now comprised of two strategies invested with two different investment managers. This was implemented in November '23 as part of the move away from RBC Brewin Dolphin. The move was predominantly driven from an ESG perspective.

Because the money was invested in tranches, we have applied a 'time & money weighted' calculation (known as the Modified-Dietz method) to any % based returns in this document to accurately make benchmark comparisons.

Long-term Portfolio - As a reminder the objectives of the long-term portfolio is detailed below.

PRIMARY OBJECTIVES

- 1. Preserve real value:** The targeted total return (income plus capital growth) for this portfolio is Consumer Price Index (CPI) plus 3% p.a. (net of all management fees) over the long term.
- 2. Invest within ESG framework:** We expect that our investments are fully compliant with our ESG policy, which is detailed further in this document

SECONDARY OBJECTIVES

- 1. Risk:** To pursue a 'Balanced' overall risk strategy as detailed within this policy.
- 2. Liquidity:** It is important that the underlying investments are relatively liquid. We would expect to be able to make withdrawals from the portfolio and receive 75% of the proceeds within 90 days.

Discrete Performance

We have detailed below the discrete annual performance of the portfolio. This represents the performance over the lifetime of investment with Epoch as advisors. Initially (2017) it was invested via the Epoch Discretionary Service before moving to RBC Brewin Dolphin. More recently (November '23) the investments were rebalanced into a 75%/25% split with Waverton and Sarasin.

Over the course of the 2024 the portfolio has continued to deliver a very strong return profile, ahead of both peers and the inflation target. Whilst, 2025 has brought market volatility the relative performance against benchmarks are reassuring.

		Long Term	ARC Balanced	ARC Steady Growth	CPI+3%
Discrete Annual Performance	2025**	-2.04%	-1.70%	-3.11%	1.40%
	2024	10.66%	6.60%	8.23%	5.67%
	2023	7.70%	6.05%	7.51%	7.04%
	2022	-9.87%	-9.35%	-9.61%	13.82%
	2021	10.37%	9.94%	13.20%	8.56%
	2020	7.37%	3.59%	3.54%	3.67%
	2019	13.20%	12.19%	15.64%	4.35%
	2018	-5.75%	-3.99%	-4.85%	5.18%

**to 12/05/2025

NB: ARC data for 2025 is estimated (audited data is only available 4 weeks after quarter end)

4. BENCHMARK – LONG-TERM

The primary reason investors monitor their portfolio returns versus a benchmark is to assess how investment managers are performing relative to alternative strategies they may have adopted. It also may help provide context in particularly volatile years to identify if the issue relates to the market in general or is manager specific.

The agreed benchmark for the long-term portfolio is the ARC Balanced Charity index. As a reminder, this is a comparison against peers running charity client assets with a similar level of risk to you. Therefore, this is a fair comparison to compare the portfolio against the 'average' return for a strategy with a similar level of risk.

You will note a variance between the cumulative numbers posted earlier in this report. This is because the below is the respective managers core strategy. This is, in our view, the fairest way to compare long-term performance.

On a cumulative basis the portfolio has significantly outperformed this benchmark. Broadly speaking, the overall risk of the portfolio does mean the portfolio sits between both the Balanced and Steady Growth mandates so would traditionally expect performance to be between both indices.

We have also included respective volatility (a proxy for risk) compared to benchmarks over various time periods. This clearly demonstrates that the portfolio has significantly outperformed, whilst not taking on additional risk compared to peers.

Portfolio returns vs benchmark

		Long Term	ARC Balanced	ARC Steady Growth
Cumulative Performance (to 12th May 2025)	3 Years	15.02%	6.84%	7.24%
	5 Years	33.39%	25.10%	32.21%
	Inception	38.55%	30.35%	39.66%

		Long Term	ARC Balanced	ARC Steady Growth
Rolling volatility (to 31st December 2024)	3 Years	7.88%	6.94%	8.02%
	5 Years	9.69%	8.03%	9.61%
	Inception	8.43%	6.98%	8.57%



23/03/2017 - 12/05/2025 Data from FE fundinfo 2025

5. PORTFOLIO RETURNS – THEMATIC

The thematic portfolio was implemented in 2022 and represents a 'carve-out' from the long-term portfolio. The portfolio has significant bias to healthcare and societal wellbeing and is ran by LGT.

To be consistent, we have applied a 'time & money weighted' calculation (known as the Modified-Dietz method) to any % based returns in this document to accurately make benchmark comparisons.

Thematic Portfolio - As a reminder the objectives of the long-term portfolio is detailed below.

PRIMARY OBJECTIVES

1. Maintain real value: The targeted total return (income plus capital growth) for this portfolio is Consumer Price Index (CPI). There is an aspirational target of CPI +2% p.a. (net of all management fees) over the long term.

2. Risk: We would like this portfolio to be managed within the risk restriction as stipulated in our policy.

3. Commensurate with ESG Policy: The portfolio should be commensurate with our ESG Policy as outlined in the Statement of Investment Principles.

SECONDARY OBJECTIVES

4. Liquidity: It is important that the underlying investments are readily available. We would expect to be able make withdrawals from the portfolio at any time over the next 1-5 years and receive the proceeds within 2 – 4 weeks.

5. Reinvestment: Income generated is to be reinvested to assist with the long-term growth objective, assuming the IBMS does not need the income to fund its day-to-day activities.

Discrete Performance

We have detailed below the discrete annual performance of the portfolio. This represents the performance over the lifetime of investment with Epoch as advisors. The portfolio was set-up and became live in November 2022 following a carve out of the long-term portfolio and closure of the project fund.

Whilst the portfolio has experienced higher levels of volatility than peers, portfolio returns have been strong over the period. This is pleasing given the portfolio has a large exposure to helathcare, which has been underwhelming from a performance perspective over the past 18 months.

		Thematic*	ARC Steady Growth	CPI
Discrete Annual Performance	2025**	-0.66%	-3.11%	0.66%
	2024	6.36%	8.23%	2.57%
	2023	7.95%	7.51%	3.93%

*Inception date was 22/11/22 therefore only available discrete annual data shown

**to 12/05/2025

NB: ARC data for 2025 is estimated (audited data is only available 4 weeks after quarter end)

6. BENCHMARK – THEMATIC

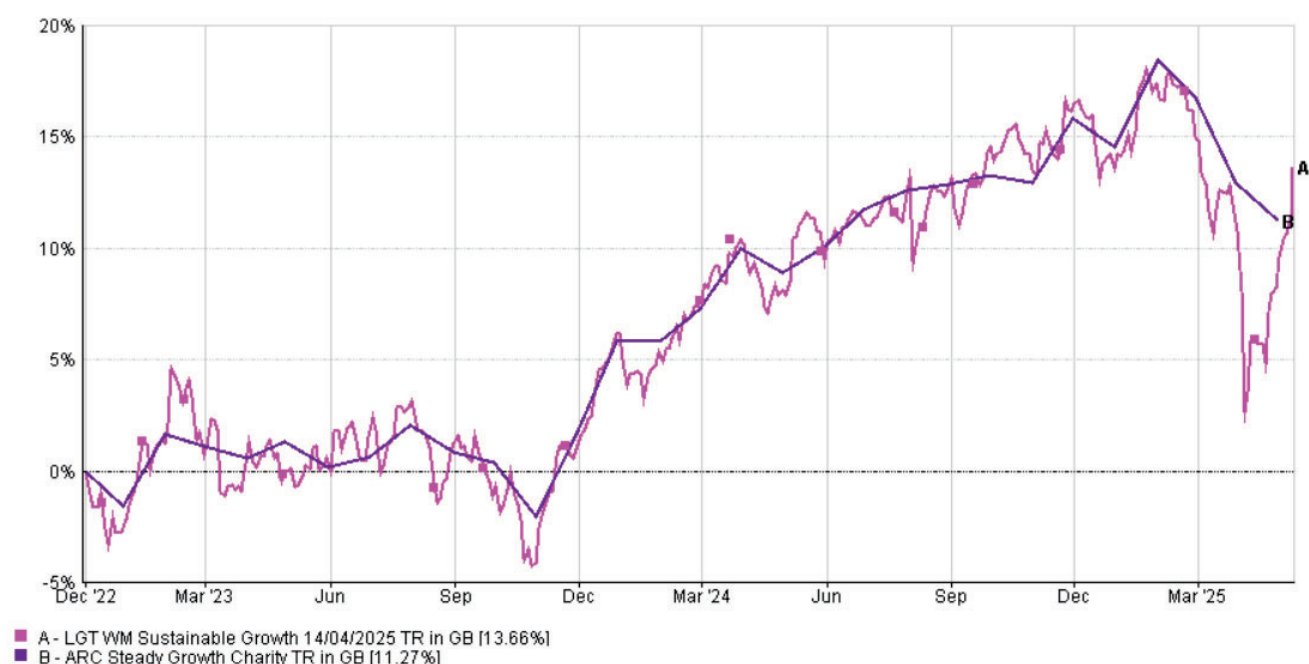
The primary reason investors monitor their portfolio returns versus a benchmark is to assess how investment managers are performing relative to alternative strategies they may have adopted. It also may help provide context in particularly volatile years to identify if the issue relates to the market in general or is manager specific.

The agreed benchmark for the long-term portfolio is the ARC Growth Charity index. As a reminder, this is a comparison against peers running charity client assets with a similar level of risk to you. Therefore, this is a fair comparison to compare the portfolio against the 'average' return for a strategy with a similar level of risk.

You will note a small variance between the cumulative numbers posted earlier in this report. This is because the below data does not account for inflow/outflows. This is, in our view, the fairest way to compare long-term performance.

We have previously discussed that we may expect the thematic portfolio to be more volatile than peers due to the concentration to certain sectors (Healthcare, Technology). Healthcare had a challenging 2023 & 2024 and therefore we are very pleased with the performance since inception.

Portfolio returns vs benchmark



7. ASSET ALLOCATION

The table below represents the individual and combined asset allocation of the three portfolios. Overall, you are currently overweight compared to the strategic asset allocation for the level of risk adopted (60%). However, you are well within the agreed overall risk tolerances.

The equity element of the portfolio has reduced since the last review, due to managers adopting a more defensive stance in the wake of further increases to global tensions.

In addition to this, alternatives are underweight relative to strategic weights, with managers preferring fixed income (which now has a more attractive return) and real assets. Both are now providing relatively attractive real returns, something that has not been seen in several decades.

The debt exposure remains tilted towards developed market Governments (UK & US) which typically provide stability in times of market stress. However, the portfolio continues to be well diversified across other key asset classes. In particular Waverton retains a high allocation to real assets which include commodities and infrastructure. There is c.2.5% invested directly in Gold which has been a strong performer so far in 2025.

This has helped provide some protection given the increase in volatility. We would expect this element of the portfolio to continue to do particularly well as interest rates start to fall. Historically these asset classes have been more defensive in times of market volatility. Whilst the overall construction will not be immune to periods of negative performance, it is important to remain mindful of the long-term objectives and an appropriate balance should be made.

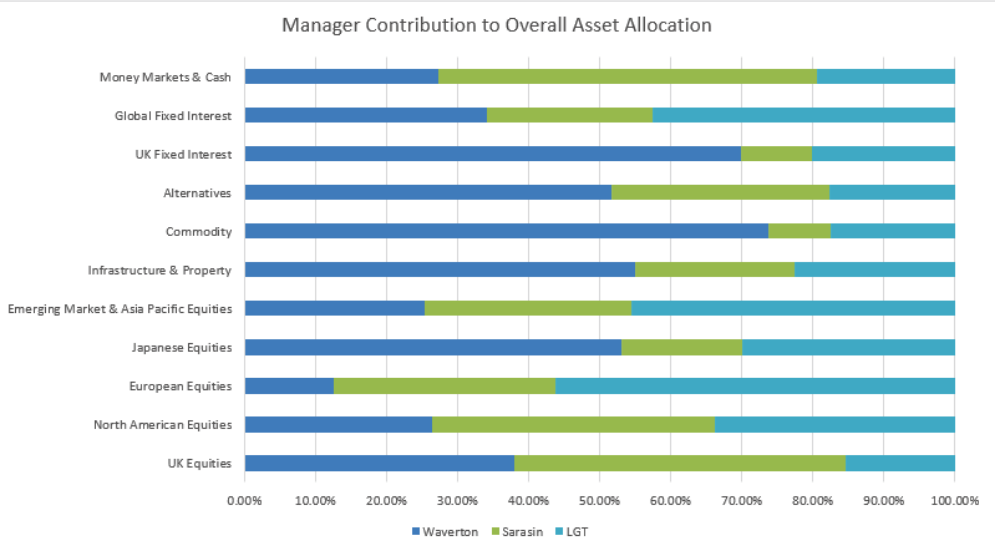
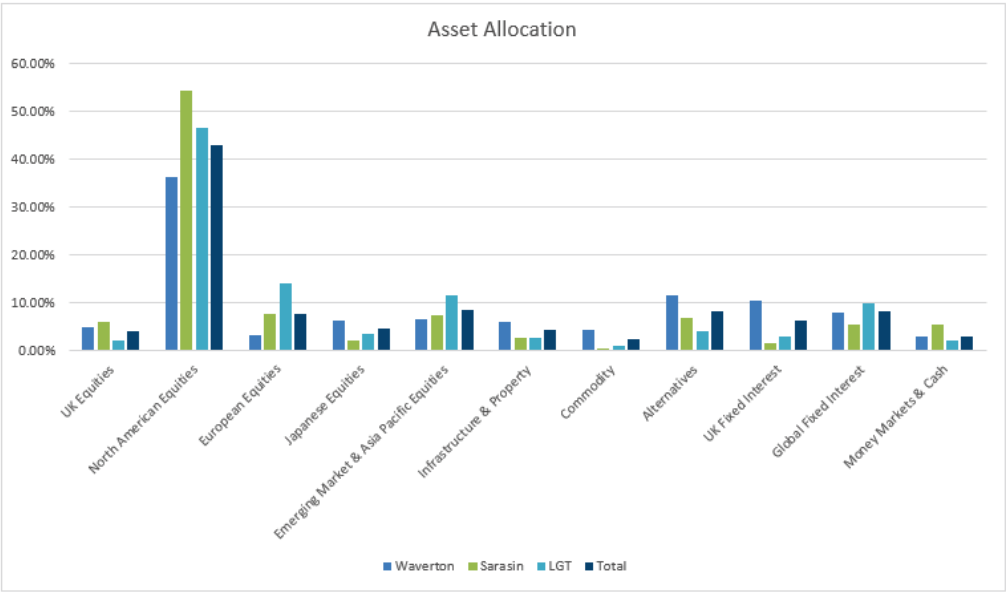
Assuming there has been no change in the overall risk appetite of the IBMS we are comfortable with the current construction and feel it is well placed going forward.

In the first graph overleaf we have shown both the charted version of your overall asset allocation and respective weights to each manager.

The other table notes the level of contribution each manager has made to the overall contribution. For example, Sarasin, whilst only making up 16% of your overall investments, make-up c.40% of your total North American equity exposure, with LGT and Waverton representing a further c.32% and 28% respectively.

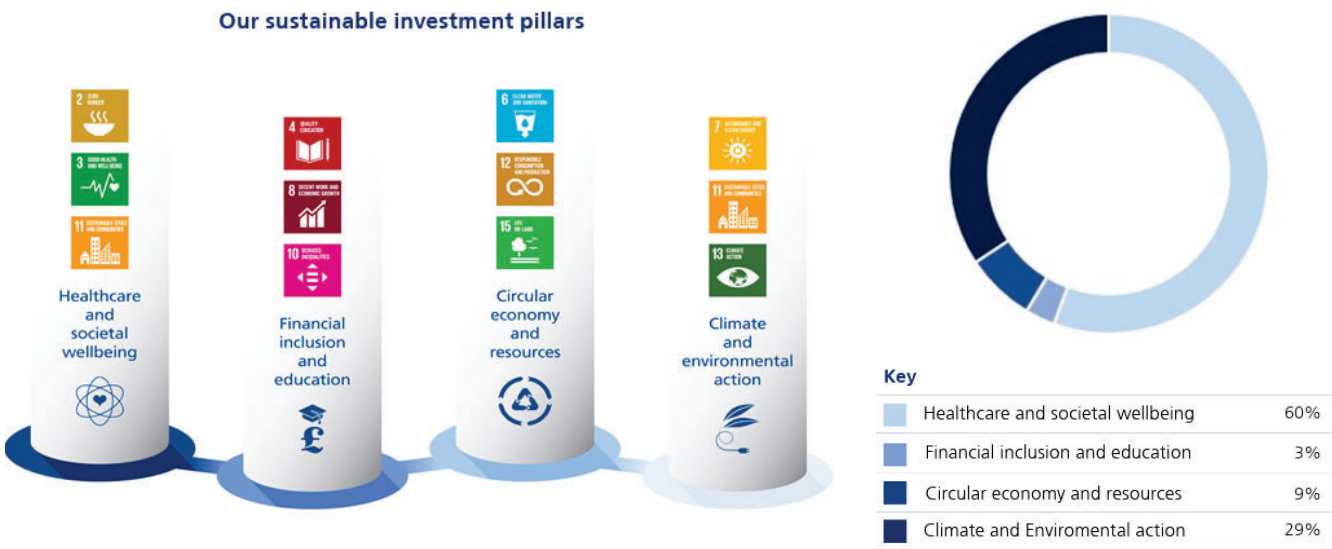
Asset Class	Waverton	Sarasin	LGT	Total
UK Equities	4.90%	6.00%	2.00%	4.05%
North American Equities	36.30%	54.50%	46.50%	42.88%
European Equities	3.10%	7.75%	14.00%	7.72%
Japanese Equities	6.20%	2.00%	3.50%	4.56%
Emerging Market & Asia Pacific Equities	6.40%	7.35%	11.50%	8.36%
Sub-total Equities	56.90%	77.60%	77.50%	67.57%
Infrastructure & Property	6.10%	2.50%	2.50%	4.24%
Commodity	4.20%	0.50%	1.00%	2.46%
Alternatives	11.60%	6.90%	4.00%	8.14%
Sub-total Diversifiers	21.90%	9.90%	7.50%	14.84%
UK Fixed Interest	10.40%	1.50%	3.00%	6.33%
Global Fixed Interest	8.00%	5.50%	10.00%	8.30%
Money Markets & Cash	2.80%	5.50%	2.00%	2.95%
Sub-total Fixed Income	21.20%	12.50%	15.00%	17.59%
Total	100.00%	100.00%	100.00%	100.00%

7. ASSET ALLOCATION CONT.



LGT Pillars & Sustainable Allocations

As a reminder the LGT portfolio is designed to have a thematic sustainable overlay that is tied into the UN Sustainable Development Goals. The breakdown of this is detailed below.



8. FEES

Below details the total investment charges for your existing portfolio by way of showing this as an ongoing charges figure.

- The ongoing charges figure (OCF) is a way of measuring the overall effect of a number of these charges. It shows the total annual costs taken from a portfolio.

The OCF is the sum of two components: these are the investment service costs fee and the cost of the investment products.

The investment service costs are predominantly made up from the platform fees (M&G acting as Custodian) and the investment manager charges (the cost you pay for the underlying managers to actively manage your portfolio). These are deemed as explicit costs i.e. they are debited from your portfolio directly.

The investment product costs are made up of ongoing costs and transaction costs. These costs may include external funds and investments such as third-party funds.

For complete transparency, we include the AMC and ongoing charges associated with investing in these types of underlying funds and investments on a pro-rata basis. However, it is worth noting that the costs of underlying funds are not always uniformly applied by asset managers, and certain types of costs may be excluded. It is therefore important you ask managers for their transaction costs when making comparisons.

In addition to this, you also pay us an advice fee (currently 0.46%, but proposed to be dropped to 0.33%) which relates to the services we provide the IBMS. This includes any investment governance or ESG support, cashflow advice as well as taking responsibility for the suitability of your investments. Whilst this is not an abdication of risk it is a delegation to a regulated advisor.

We typically find that the net cost of using us to be significantly lower than this. This is because of our ability to negotiate with investment managers (given our size) and also because we take an element of risk away from them (in the form of taking suitability for the recommendation).

When the portfolio was restructured in 2023 consideration was given to overall charges, but not prioritised to ensure a strong ESG approach. If the attitude of Trustees has changed, we would be happy to recommend an alternative solution that could reduce fees further. We would suggest this discussion is facilitated via a workshop (as previously) if appropriate.

Breakdown of Investment Service Costs*	%
Platform Charges	0.04%
Investment Manager Charges	0.24%
Platform Charges on trades	0.00%
Adviser charges on trades	0.00%
Fund manager charges on trades	0.00%
Stamp Duty & PTM levies	0.00%
Investment Product Costs**	%
Ongoing Costs	0.50%
Transaction Costs	0.04%
Incidental Costs	0.00%
One-off costs	0.00%
Total Investment Service Costs*	0.28%
Total Investment Product Costs**	0.54%
Total Charges	0.82%

*Investment Service Costs are Explicit (i.e. deducted from your portfolio)

**Investment Product Costs are the underlying costs (implicit) of running the portfolio

9. SUITABILITY CONFIRMATION

Based on our regular meetings and various discussions, I can confirm that the current investment arrangements remain suitable for the IBMS.

This is in light with the following:

Objectives: These remain unchanged from the most recent statement of investment principles.

Time Horizon: These funds are intended to be invested for the long-term. In respect of the long-term portfolio, a period of 7+ years and the thematic portfolio, 10+ years.

Risk Profile: The Trustees overall capacity and willingness for loss remains unchanged in our various discussions and as summarised in your investment policy statements.

ESG: There remains no change in the Trustees desire to take a positive engagement and stewardship approach with their investments.

Whilst not an immediate action, we do believe the Trustees should revisit their overall custody arrangements in the next 12 months. This is due to a lack of investment and poor service from the existing provider, M&G. We would be happy to work with the Executive and Trustees towards an alternative solution.

We are however satisfied that the current investment approach is suitable for the IBMS and consistent with both your fiduciary responsibilities and respective CC14 guidance. As always, should your objectives, cashflow needs, or circumstances change, there may need to be a revision to your strategy.



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