Unicorn

Investing with conviction

Unicorn Investment Funds

Assessment of Value

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Introduction

Welcome to the Unicorn Asset Management Assessment of Value Report. This report provides an annual review of the assets we manage on your behalf, assessing the value delivered to investors over the course of the calendar year 2025. It also places the findings in a broader historical context, reflecting the long-term objectives and investment policies of the Funds under our management.

The assessment is conducted in line with the Financial Conduct Authority (FCA) requirements, ensuring transparency and accountability in the evaluation of Fund performance, costs, and services. The introduction of the Consumer Duty regulations in 2023, which place increased emphasis on assessing value for investors, continues to shape our approach to this review.

Where areas for improvement have been identified, we have highlighted the steps that have been or will be taken to address them. Our ongoing commitment to enhancing the clarity and quality of our investor communications is reflected in refinements made to this year's report.

We remain focused on ensuring that our Funds deliver value in a fair, transparent, and consistent manner, in alignment with the best interests of our investors.

What is an Assessment of Value Report?

Under the Collective Investment Schemes Information Guide (COLL), the Financial Conduct Authority (FCA) requires Authorised Fund Managers (AFMs) to conduct an annual assessment of value for each of the Funds they manage. The purpose of this assessment is to ensure that investors receive fair value for the charges they pay, with a requirement for the AFM to take appropriate action where value is not being delivered.

Since the introduction of Consumer Duty regulations in 2023, which place greater emphasis on customer outcomes, the industry's approach to assessing value has continued to evolve. The price and value outcome is a key principle under these regulations, reinforcing the need for fund managers to assess costs relative to the benefits provided to investors.

The FCA has set out seven key criteria that must be considered in an assessment of value:

Quality of Service
Reviewing the range and quality of services provided to shareholders.

Performance
Evaluating whether each Fund's performance, after the deduction of charges, aligns with its stated objectives and policies over an appropriate timescale.

AFM costs - general
Examining all costs incurred by investors and ensuring they are justified by the services provided.

Economies of Scale
Whether the AFM is able to achieve savings and benefits from economies of scale, relating to the direct and indirect costs of managing the scheme property and taking into account the value of the scheme property and whether it has grown or contracted in size as a result of the subscription or redemption of units.

Comparable Market Rates
Comparing the fees charged for each Fund against those of similar funds in the market.

Comparable Services
Assessing whether the AFM's charges are consistent with those applied to other clients receiving comparable investment services.

Classes of Shares
Whether it is appropriate for shareholders to hold units in classes subject to higher charges than those applying to other classes of the same scheme with substantially similar rights.

Tell us what you think!

The purpose of this report is to assess each of these criteria across our Funds and to provide a transparent evaluation of where value is being delivered and where improvements may be needed.

If you have any feedback on this report or suggestions for improvement, please contact us at info@unicornam.com.

Our Findings

Below are the value assessment ratings for each Fund. We have grouped five of the criteria under the broader heading of costs; however, we have still assessed each of the criteria individually. For each criterion we have provided a Red, Amber, or Green rating with an overarching rating given at a Fund level.

Green	**Good value: no issues have been identified**
Amber	**Value: We have identified a potential issue(s) and highlighted it for monitoring**
Red	**Not delivering consistent value: An issue(s) has been identified, and we have set out the actions being taken**

Where any areas have been highlighted, more detail can be found in the Fund specific detail later in this report.

If you want to see the latest information regarding a fund, all information is available in the 'Funds' section of our website (unicornam.com/funds/)

			Costs					
Fund	**Quality of Service**	**Performance**	**AFM Costs**	**Economies of Scale**	**Comparable Market Rates**	**Comparable Services**	**Classes of Units**	**Overall Assessment**
Mastertrust								
Outstanding British Companies								
UK Growth								
UK Ethical Income								
UK Income								
UK Smaller Companies								

Below you will find further detail on how we consider each of the criteria with specific commentary by Fund in the following pages.

Having considered many ways to implement our Assessment of Value review, it was concluded for the first assessment that several of the key criteria could be examined holistically, at company level with further analysis developed where appropriate at sub-Fund level. This approach was based on several factors and has been retained for the 2024 assessment.

Key considerations for grouping criteria:

- The pricing structure of Funds under review
- The company's focus on long only investments in a single geography and asset class
- A proportional approach
- The commonality of the stated target market for each product
- A single OEIC with several sub-Funds
- Consistency from year to year giving consumers clarity

1. Quality of service

A key component of the Assessment of Value is evaluating the quality of service provided to investors. Unicorn Asset Management remains committed to maintaining high standards across all aspects of Fund management, including investment expertise, governance, stewardship, operational efficiency, and investor communications.

Our assessment focuses on five core areas

Investment & Risk

We believe that the investment and risk process is fundamental to the quality of service delivered by any Fund Management group and have reviewed the qualifications, ability and experience of the Fund Managers and their supporting staff.

In the period under review the Fund management team has been provided with appropriate tools to enable detailed and meaningful analysis of both Fund and stock characteristics, performance, and risk. In addition to investment in resources there was continued benefit from the continued development of the investment and risk teams. This work has continued to add further research and monitoring capabilities across all strategies managed by the company.

We have considered the quality of the investment processes to which all consumers are gaining access and through consultation internally, as well as reviewing the quality of research produced, have found the processes implemented by Investment Managers to be thorough and comprehensive. A clear, demonstrable, and repeatable process should give further insight into the likely future performance of investment strategies, and the ability of the Funds to meet their stated objectives over the long term.

Unicorn has continued to evolve the risk and compliance function during the year to support the company's ability to effectively monitor risk, performance, and governance issues.

Active Ownership and Stewardship

Unicorn believes that a strong commitment to sustainable business practices by management teams is a key indicator of long-term value protection and creation, ultimately enhancing their ability to deliver superior financial returns for our clients. We actively seek companies that have embedded sustainability principles into their business models, fostering resilience and adaptability in an evolving economic and regulatory landscape.

As early adopters of Environmental, Social, and Governance (ESG) considerations within our investment strategies, we recognise that ESG factors play a crucial role in assessing both risk and opportunity at the Fund and company level. Unicorn is a signatory to the United Nations Principles for Responsible Investment (UN PRI), a UN-backed network that promotes the integration of ESG factors into investment decision-making to support sustainable, long-term value creation.

In 2054, we have further expanded our ESG monitoring and engagement framework, reinforcing our commitment to active stewardship. This includes the publication of our latest Sustainability & Stewardship Report, available from the manager. Engagement with investee companies continues to evolve, demonstrating our dedication to influencing positive corporate behaviours and enhancing long-term shareholder value.

Services to the Funds

Unicorn Asset Management remains committed to ensuring that the services provided to shareholders meet the highest standards of efficiency, security, and transparency. As part of our Assessment of Value, we have reviewed the services provided by the Depositary, Custodian, and Fund Administrator to ensure they continue to deliver value to investors.

The Depositary, HSBC, is responsible for the safekeeping of the Fund's assets, the monitoring of cash flows, and the oversight of the Custodian. The Custodian holds assets in either physical or electronic form across the markets in which the Fund invests. Additionally, the Custodian plays a critical role in collecting income and dividends, processing corporate actions, and reclaiming tax under applicable double taxation treaties. These services are essential to the efficient operation of the Funds and ensure that investor assets remain protected and well-managed.

To maintain service quality, both the Depositary and Custodian operate under a defined Service Level Agreement (SLA) and are assessed against Key Performance Indicators (KPIs). The Board regularly reviews these metrics to monitor service standards, ensuring that any potential issues are identified and addressed promptly.

While the Fund Administrator's services are not directly charged to shareholders, Unicorn carefully evaluates their performance, responsiveness, and reliability. The administrator plays a central role in processing investor transactions, maintaining accurate records, and responding to investor enquiries. Given their function as the first point of contact for many shareholders, it is essential that their service remains of the highest quality. The SLA and KPIs governing the administrator's work are regularly reviewed, with particular focus on accuracy, timeliness, complaint resolution, and regulatory compliance.

Culture and Governance

We continue to place great emphasis on fostering a strong culture of challenge, as we believe this is essential to ensuring that our Funds are managed in the best interests of investors. A robust culture of challenge not only encourages thoughtful debate and scrutiny but also reinforces our commitment to high governance standards, risk awareness, and investor protection. It is fundamental to creating an environment where effective oversight and accountability are not merely in place but actively embraced by all members of the organisation.

Culture, while often less tangible than other aspects of Fund management, serves as a clear indicator of a team's approach to decision-making and responsibility. This can be observed in a variety of ways, including the willingness to collaborate in an office environment, active participation in regular meetings, and a proactive approach to risk management and compliance. A well-defined culture is also reflected in low levels of breaches, a strong track record in handling investor concerns, and the absence of execution issues, all of which contribute to the consistent delivery of a high-quality service.

At Unicorn, we recognise that culture directly influences long-term outcomes, not only in the way our teams operate but also in the way we engage with investee companies. By embedding a strong culture of challenge, accountability, and investor focus, we ensure that our Funds continue to be managed with the highest levels of integrity, professionalism, and commitment to delivering value.

Communication

Effective and transparent communication with investors is a fundamental component of service quality, and we continuously strive to ensure that our engagement with shareholders meets high standards of clarity, accessibility, and responsiveness.

Investor servicing is a key aspect of our evaluation, encompassing how effectively investor queries are handled, how complaints and breaches are resolved, and the overall quality of information provided. As part of our commitment to enhancing consumer understanding, we continue to review and refine our client-facing materials in line with Consumer Duty principles. The quality, accessibility, and effectiveness of these materials are regularly discussed to ensure they meet the evolving needs of investors.

We have continued to focus on ensuring all communication remains clear, comprehensive, and easily accessible. Over recent years, we have made significant enhancements to the structure and presentation of our investor communications. Monthly factsheets continue to be refined to provide greater clarity, ensuring that key fund information is more transparent and user-friendly. The move to quarterly manager commentary, has continued to be well received with investors praising the deeper insights into fund performance and market conditions compared to the shorter, month-to-month commentary previously available.

The Sustainability & Stewardship report continues to provide detailed insights into our engagement with investee companies, our approach to sustainable investment, and the steps we are taking to enhance governance and stewardship practices.

Through continuous monitoring and evaluation, Unicorn remains focused on delivering high-quality investor communication, ensuring that all stakeholders receive the timely, relevant, and meaningful information they require. Our ongoing enhancements reflect our dedication to meeting the evolving needs of investors while maintaining a commitment to transparency, engagement, and the highest standards of service.

Assessment

Our assessment concludes that Unicorn Asset Management continues to deliver a very high standard of service across key areas, including Investment & Risk, Stewardship, Governance, Fund Services, and Communication. The investment team remains well-resourced, with strong research capabilities and a disciplined approach to risk management. The enhanced ESG monitoring framework and publication of the Sustainability & Stewardship Report demonstrate Unicorn's commitment to responsible investing. Governance structures remain robust, ensuring effective oversight and accountability in fund management.

The quality of fund administration and investor communication remains strong, with enhancements to reporting materials improving clarity and accessibility for shareholders. Our Consumer Duty work continues to assess and refine investor engagement strategies to ensure evolving needs are met. The oversight of custody and administrative services remains effective, reinforcing security and operational efficiency. Overall, Unicorn provides good service across all evaluated areas, and we remain committed to continuous improvement to further enhance investor outcomes.

2. Performance

The Board has reviewed performance across all OEIC sub-Funds and share classes, ensuring that each Fund is managed in line with its investment objectives, policies, and strategies. Regular portfolio review meetings, attribution analysis, and discussions with the investment team provided oversight, with the Risk Officer, Director of Operations, and Compliance Officer actively challenging Fund Managers on both underperformance and outperformance during Committee meetings. Where available, external evaluations were also considered.

Performance has been assessed relative to appropriate indices and peer groups following comparable investment approaches. For Funds with a stated income objective, this formed a central part of the evaluation. Broader assessments considered factors such as market conditions, cash flows, volatility, yield, liquidity, and risk-adjusted returns. The most widely held share classes available to retail investors were used as benchmarks in this analysis. Over both ten-year (long term) and five-year (recommended minimum holding period) horizons, the Funds were found to be managed effectively and in line with their stated objectives. While short-term underperformance was observed in some cases, it was found to be consistent with Fund objectives and policies. This will continue to be monitored and is discussed further in the Fund-specific sections of this report.

Assessment

Our assessment concluded that all Funds were managed effectively and in line with their investment objectives and policies, with performance generally meeting expectations over the appropriate timescale. Each Fund's performance was evaluated relative to comparable benchmarks and peer groups, taking into account its stated objectives, investment strategy, and risk profile.

While the majority of Funds demonstrated resilient long-term performance, some have experienced periods of underperformance relative to some peers. In these cases, the underperformance was largely attributable to specific market conditions, sector dynamics, or the inherent characteristics of the investment approach. Certain strategies with a bias towards, higher-growth companies were particularly affected by market trends that continued to favour larger, lower-volatility, less cyclical sectors during the review period. Where Funds lagged, these periods of relative weakness were closely analysed, and the potential for future recovery and long-term value creation was considered. The Board has reviewed these instances in detail, with ongoing monitoring in place to ensure that Fund strategies remain aligned with investor expectations.

Overall, all Funds were found to be delivering either Good Value or Value, with none classified as failing to deliver consistent value. The factors contributing to periods of relative weakness are discussed further in the Fund-specific sections later in this report.

3. AFM Costs

Our assessment of AFM costs involved a detailed evaluation of all charges included within the Ongoing Charges Figure (OCF), as well as transaction costs across all share classes. The primary focus was to ensure that the costs borne by investors remain competitive and justified when compared to similar funds in the market.

The annual management charge was identified as the most significant cost element for each Fund, calculated as a fixed percentage of Fund value and applied daily. The next most notable expense was the depositary fee, which is also charged as a fixed percentage and was found to be in line with industry standards among active managers.

Other costs contributing to the OCF, such as audit fees and printing costs, were reviewed and deemed reasonable and proportionate. These expenses represent a small portion of overall charges. Additionally, Unicorn's policy of absorbing administration and research costs, rather than passing them on to investors, continues to provide a cost advantage compared to some industry peers.

Transaction costs were subject to ongoing oversight and were reviewed throughout the year by the Execution Committee to ensure efficient trading practices and cost-effectiveness across all Funds.

Assessment

Our review concluded that the majority of costs incurred by the Funds are reasonable, justifiable, and compare favourably to those of actively managed peers. Across all Funds, total costs were found to be in line with or below the median for active managers within their respective Investment Association (IA) sectors, reinforcing Unicorn's commitment to delivering value through cost efficiency. The annual management charge, the most significant expense, was assessed against industry standards and was found to be competitive and appropriate given the level of service, investment expertise, and active management provided.

While overall cost levels remain reasonable and well-controlled, we remain committed to continuous cost monitoring and transparency, ensuring that expenses remain appropriate and deliver value for investors. The findings from this review are discussed further in the individual Fund analysis sections of this report.

4. **Economies of Scale**

Each strategy was reviewed to assess whether existing or potential economies of scale were being effectively passed on to shareholders. This evaluation considered Fund size, asset growth or contraction, and cost efficiency in the context of the prevailing market environment.

The assessment found that the costs incurred by the Funds are largely based on net asset value, meaning that the overall rate of charging does not fluctuate significantly with changes in Fund size. While some fixed costs remain consistent regardless of asset levels, the proportionate impact of these costs may vary depending on the scale of assets under management. Notably, the total expense ratio for the Unicorn UK Ethical Income Fund remained capped at a level equal to that of the Unicorn UK Income Fund, with any excess costs absorbed by the AFM, demonstrating a commitment to maintaining cost efficiency for investors.

The review also considered the challenging market backdrop, where sustained redemptions from UK equity funds have placed pressure on asset growth across the sector. Despite this environment contributing to a lower level of revenue during the review period, Unicorn has continued to invest in infrastructure, personnel, and risk management resources to ensure that high standards of oversight and Fund management are maintained. This demonstrates a commitment to long-term resilience, ensuring that investors continue to benefit from a well-supported investment process even in a contracting market.

Assessment

We did not identify any economies of scale that were not being passed on to shareholders. Costs remained proportionate to net asset value, and investors benefited from efficiencies where investment, risk management, and operational resources were concerned. The decision to cap the total expense ratio for the Unicorn UK Ethical Income Fund at the same level as the Unicorn UK Income Fund further demonstrated a commitment to cost efficiency.

Despite the challenging market backdrop, where redemptions from UK equity funds have contributed to a lower level of revenue, it was noted that Unicorn has continued to enhance its infrastructure and resources to ensure best-in-class oversight. We will continue to monitor the Funds, ensuring that cost efficiencies and economies of scale remain appropriately shared with investors.

5. **Comparable market rates**

The costs charged to Unicorn Funds include the AFM's annual management charge, audit fees, depositary and custody fees, all of which were carefully reviewed and benchmarked against comparable Funds in the market. This assessment ensured that charges remained fair, competitive, and justified, providing investors with value relative to similar actively managed Funds.

A comparative analysis of annual management charges was conducted, considering several key factors, including risk profile, active share, and investment approach. This ensured that Unicorn's fees were measured against Funds with similar investment strategies and objectives, rather than simply against broad sector averages. Depositary and custody fees were reviewed by the Authorised Corporate Director (ACD), who assessed these charges against industry benchmarks for comparable professional depositary and custody services. Consideration was also given to the complexity and risk profile of each Fund, ensuring that fees reflected the appropriate level of service required for effective oversight and asset protection. These fees are clearly outlined in the scheme documentation and are structured on a tiered basis, meaning that as a Fund's assets grow, the overall costs reflect economies of scale. This structure ensures that all investors, across all unit classes, benefit equally from cost efficiencies.

During the year, the ACD undertook a comprehensive review of the Company's audit fees. In benchmarking these costs against those charged by other professional fund auditors providing comparable services, it was concluded that the existing arrangements warranted reassessment. Following a structured and competitive selection process, new fund auditors were appointed, delivering meaningful cost savings without any diminution in service quality. Throughout this process, due consideration was given to the complexity and risk profile of the Company to ensure that audit oversight and regulatory compliance remained robust, proportionate and cost-effective.

In addition, the costs associated with fund administration, accounting, transfer agency and registrar services were reviewed. It is important to note that these administrative expenses continue to be borne by Unicorn and are not recharged to the Funds, thereby representing a tangible cost-saving benefit for Shareholders.

Assessment

The assessment concluded that charges across all share classes were consistent with those of comparable active Funds with similar profiles. While new investments into historic share classes with higher fees are no longer permitted, some existing investors remain in these classes. In most cases, these investors access the Funds via platforms where cost rebates are applied, effectively reducing their charges to a level comparable with lower-cost share classes. Where such rebates were not applicable, it was determined that investors were correctly allocated to share classes with higher fees, which reflect the additional administrative and servicing costs associated with their holdings.

It was reaffirmed that all research costs are absorbed by Unicorn and not passed on to investors, further reinforcing its commitment to cost efficiency. Overall, the assessment found that the costs of the Funds remain reasonable, well-justified, and in line with comparable market rates, ensuring that investors continue to receive value for money in accordance with industry standards.

6. Comparable Services

Unicorn Asset Management provides segregated investment management and investment advisory services to several further clients than the OEIC, including institutional investors. As part of our review, we assessed whether the charges paid by investors in the OEIC funds are reasonable and aligned with those applied to comparable products and services with similar investment objectives and policies.

We identified UK funds with comparable mandates and analysed any differences in charges. Where differences were found, we examined the underlying reasons to ensure that investors in the UK funds are charged appropriately relative to those in similar investment arrangements.

Assessment

Our assessment found no conflicts between these services and the quality or cost of those provided to the OEIC. In instances where similarities existed, the value delivered to shareholders was deemed to be consistent and comparable. We will continue to review and monitor areas where segregated services may provide further insights for future assessments.

7. Classes of shares

The charging structure for all share classes was reviewed across the OEIC.

Assessment:

The assessment confirmed the majority of shareholders were found to be in the most appropriate share class.

An increasingly small number of shareholders remain in historic A share classes, which have a higher annual management charge than the B share class. In these cases, it was determined that investors were either accessing the Funds through platforms where rebates effectively aligned their costs with lower-cost alternatives or were correctly allocated based on the additional servicing and administrative requirements associated with their investments. Given these factors, we concluded that these shareholders are in the appropriate class for their individual circumstances.

With all investors positioned in share classes that fairly reflect the cost and service structure associated with their holdings, no further action was deemed necessary. The review found that annual management charges were applied appropriately, ensuring that investors continue to be charged fairly and transparently, in line with the structure of their investments.

8. Conclusion

The Company has undertaken a comprehensive and rigorous review to assess the value delivered by the Funds. This evaluation considered a wide range of factors deemed relevant to investors, including the nature, extent, and quality of the services provided, the investment performance of the Funds over appropriate timeframes, and their competitive positioning in relation to similar investment vehicles. In addition, careful consideration was given to the total costs associated with managing the Funds, the profitability generated, and whether the benefits of any economies of scale achieved are being appropriately shared with investors.

As part of this assessment, a detailed analysis was conducted, incorporating both quantitative and qualitative measures. The investment performance of the Funds was reviewed in the context of prevailing market conditions, with comparisons drawn against relevant benchmarks and peer groups to ensure a fair and meaningful evaluation. Particular attention was given to cost structures, ensuring that charges remain reasonable and proportionate to the value delivered. The review also examined the quality and transparency of investor communications, the responsiveness of the investment manager, and the effectiveness of oversight mechanisms in safeguarding investor interests.

A continuing consideration in this year’s review has been the impact of significant inflationary pressures on financial markets and the wider economy. In recent years, there has been a substantial increase in the costs incurred by Unicorn in delivering investment management and related services. Despite these pressures, the cost of services provided to the Funds has remained unchanged, which, in real terms, represents an increasingly strong value proposition for investors. The ability to maintain service quality and investment expertise without passing on additional costs underscores the efficiency and commitment of the investment manager in delivering value.

The conclusion of this rigorous review is that all Funds have, on balance, demonstrated value across the majority of the key criteria considered. Where specific areas for improvement have been identified, appropriate actions have been set out at the Fund level to address them.

Following a careful review of these findings, the Board has approved the conclusions of the assessment, determining that the overall costs of the Funds are justified in light of the value they provide to investors. The Board remains committed to continuously monitoring and refining this process to ensure that the Funds continue to meet high standards of value and service in the interests of their investors.

Unicorn UK Income Fund

Objective & Policy
The Unicorn UK Income Fund aims to provide an income by investing in UK companies.

UK companies are defined as those which are incorporated or domiciled in the UK, or have a significant part of their operations in the UK.

The Fund invests at least 80% in UK companies which are quoted companies with a bias towards small and medium-sized companies (those with a market value of less than £4 billion). Some of the companies in which the Fund invests may be quoted on AIM. AIM is the London Stock Exchange's international market for smaller, growing companies.

Assessment

Key Metrics	5-year total return - % to 31/12/25	10-year total return - % to 31/12/25	OCF -%	Yield -%
Unicorn UK Income Fund	9.3	30.76	0.84	5.36
IA UK Equity Income Sector	60.72	86.74	0.81 (Active Funds)	3.06

The Fund was assessed in the context of the seven AOV criteria, with particular focus on whether performance outcomes, after the deduction of charges, remain consistent with the Fund's stated objective and policy and deliver fair value in accordance with the FCA's Consumer Duty and price and value outcome requirements.

The Unicorn UK Income Fund continues to meet its primary objective of providing income through investment in UK companies, with a structural bias towards small and medium-sized businesses. For the year ended 31 December 2025, the Fund delivered a historic yield of 5.36%, materially ahead of the IA UK Equity Income sector average of 3.06%. The Board considers this a clear and measurable outcome consistent with the Fund's disclosed income objective and an important component of investor value.

Total return performance over longer periods has, however, remained materially behind the IA UK Equity Income sector. Over five years to 31 December 2025, the Fund generated a total return of 9.3%, compared with 60.72% for the IA UK Equity Income sector. Over ten years, the Fund delivered 30.76%, relative to 86.74% for the sector.

In assessing whether this divergence undermines the value delivered to investors, the Board undertook a deeper analysis of UK market segmentation. Over the same five-year period, the IA UK Smaller Companies sector delivered a total return of 2.71%, while the FTSE 100 returned 84.67%. This substantial dispersion between large-cap and small-cap equities has been one of the defining characteristics of the period under review. Given the Fund's policy requirement to invest at least 80% in UK companies with a bias towards those below £4 billion in market capitalisation, the opportunity set available to the portfolio has been structurally distinct from that represented within the IA UK Equity Income sector, which has benefitted materially from large-cap exposure.

The Board therefore concluded that the most restrictive and performance-determining factor has been the Fund's investment objective itself. The structural allocation to smaller and mid-sized companies, rather than deterioration in process or governance, has been the principal driver of relative underperformance. There was no evidence of mandate drift, excessive risk-taking, process weakness, or control failure.

Nevertheless, the Board recognises that the magnitude and persistence of underperformance relative to the IA UK Equity Income sector is significant and cannot be dismissed solely as cyclical. In line with the FCA's supervisory expectations, the Board considered not only whether the Fund has adhered to its objective, but whether the outcomes achieved justify the charges paid when assessed from the perspective of a retail investor. This included explicit challenge to the investment team on portfolio construction, stock selection efficacy within the eligible universe, and the continuing attractiveness of the sub-£4 billion segment.

Having undertaken that challenge, the Board concluded that while the Fund's differentiated mandate has constrained participation in large-cap driven returns, the income objective has been delivered consistently, the investment process remains robust, and the cost structure is competitive. The Board therefore determined that the Fund continues to deliver value, albeit with the acknowledgement that this conclusion is more finely balanced than in prior review periods.

Performance will remain under enhanced scrutiny during the forthcoming assessment cycle.

Conclusion

Following comprehensive review and robust challenge in accordance with COLL 6.6.20R and the FCA's Price & Value Outcome guidance, the Board has concluded that the Unicorn UK Income Fund continues to deliver value to investors.

This conclusion reflects the Fund's continued delivery of a competitive and differentiated income stream, adherence to its stated objective and policy, maintenance of a disciplined investment process, and a cost structure that remains appropriate relative to comparable active strategies. However, the Board recognises that total return performance over both five- and ten-year periods has materially lagged the IA UK Equity Income sector and that this assessment required more extensive consideration than in previous years.

The Board is satisfied that the primary driver of relative underperformance has been the structural bias towards smaller and mid-sized companies, a feature inherent in the Fund's mandate and clearly disclosed to investors. Nonetheless, the persistence of this divergence means that the Fund's value assessment remains contingent upon credible long-term recovery potential within its defined investment universe.

The Fund has therefore been assessed as delivering value, but with heightened ongoing oversight.

Actions

While no immediate remedial action has been deemed necessary, the Board has agreed a series of enhanced monitoring measures to ensure continued alignment with the price and value outcome.

During the forthcoming review period, performance attribution analysis will be expanded to provide clearer separation between market capitalisation allocation effects and stock-specific returns within the eligible universe. The investment team will provide additional forward-looking assessment of the opportunity set within the sub-£4 billion segment, including liquidity dynamics and earnings resilience.

The Board will also continue to review whether the Fund's objective and disclosures sufficiently set expectations regarding relative performance characteristics, particularly in comparison with large-cap dominated peer groups. Should evidence emerge that long-term recovery potential within the mandate is impaired, the Board will reassess whether structural adjustments are required to ensure continued delivery of fair value.

The position will be formally revisited at the next annual Assessment of Value review, or earlier if performance trends materially deteriorate.

Unicorn UK Ethical Income Fund

Objective & Policy
The Unicorn UK Ethical Income Fund aims to provide an income by investing in UK companies which meet the ACD's ethical guidelines.

For this purpose, UK companies are defined as those which are incorporated or domiciled in the UK, or have a significant part of their operations in the UK. Selection of such ethical equities will be undertaken on the basis of thorough company analysis, with ethical and socially responsible criteria reviewed at the point of investment and quarterly thereafter.

The Fund invests at least 80% in UK companies which are quoted companies with a bias towards small and medium-sized companies (those with a market value of less than £4 billion). Some of the companies in which the Fund invests may be quoted on AIM. AIM is the London Stock Exchange's international market for smaller, growing companies.

Assessment

Key Metrics	5-year total return - % to 31/12/25	10-year total return - % to 31/12/25	OCF -%	Yield -%
Unicorn UK Ethical Income Fund	5.27	N/A	0.81	5.4
IA UK Equity Income Sector	60.72	N/A	0.81 (Active Funds)	3.09

The Fund was assessed against the seven Assessment of Value criteria, with particular focus on whether the outcomes delivered to investors remain consistent with the stated objective and whether charges are justified in light of those outcomes. In forming its view, the Board had regard to recent FCA guidance on the price and value outcome and the expectation that firms demonstrate clear challenge where performance has been persistently weaker.

The Unicorn UK Ethical Income Fund continues to meet its primary objective of providing income through investment in UK companies that meet the ACD's ethical guidelines. For the year ended 31 December 2025, the Fund delivered a historic yield of 5.4%, materially ahead of the IA UK Equity Income sector average of 3.06%. The Board considers this to be a significant and tangible outcome, consistent with the Fund's income objective and an important component of the value proposition for investors selecting an ethically screened income strategy.

Total return performance over the medium term has, however, remained materially behind the IA UK Equity Income sector. Over five years to 31 December 2025, the Fund delivered a total return of 5.27%, compared with 60.72% for the IA UK Equity Income sector. The Board acknowledges that this represents a sustained and significant divergence from sector averages.

In assessing the drivers of this underperformance, the Board undertook detailed analysis of structural market dynamics. Over the same five-year period, the IA UK Smaller Companies sector delivered a total return of 2.71%, compared with 84.67% for the FTSE 100. This stark dispersion illustrates the extent to which large-cap UK equities have dominated returns during the review period. Given the Fund's requirement to invest at least 80% in UK companies with a bias towards those below £4 billion in market capitalisation, the investable universe has been structurally disadvantaged relative to large-cap dominated peer funds.

In addition, the Fund's ethical exclusions have created a further headwind. The exclusion of resource companies and defence stocks has reduced exposure to sectors that have been among the strongest contributors to UK market returns over the past five years. Energy and mining businesses have benefitted from elevated commodity prices and inflationary dynamics, while defence stocks have seen strong performance amid heightened geopolitical tensions. These sectors form a meaningful part of the large-cap UK index and have materially contributed to IA UK Equity Income sector returns. The Fund's deliberate avoidance of these areas, consistent with its ethical mandate, has therefore compounded the impact of the small- and mid-cap bias.

The Board carefully considered whether this structural combination undermines the value delivered to investors. It concluded that the ethical framework and capitalisation bias are defining features of the Fund and are clearly disclosed. There was no evidence of process drift, governance weakness, or failure of portfolio discipline. The principal drivers of relative underperformance are structural characteristics embedded within the Fund's objective and policy rather than deficiencies in execution.

However, the scale and duration of the divergence required robust challenge. In line with FCA guidance, the Board considered whether the outcomes achieved justify the charges paid when viewed from the perspective of a retail investor. While the income objective has been met and exceeded relative to the sector, total return remains materially behind peer averages. This balance required careful judgement.

Conclusion

Having undertaken a comprehensive review and robust challenge, the Board has concluded that the Unicorn UK Ethical Income Fund continues to deliver value to investors. The Fund has consistently met its Primary Income objective, delivering a competitive yield of 5.4%, and has been managed in strict accordance with its ethical guidelines and stated investment policy. Charges remain appropriate relative to comparable active strategies.

However, the Board recognises that total return performance over the five-year period has materially lagged the IA UK Equity Income sector and that the combination of small- and mid-cap bias and sector exclusions has significantly constrained participation in the strongest-performing segments of the UK market. While these characteristics are integral to the Fund's identity and investor proposition, their impact has been pronounced during the review period.

This conclusion reflects the sustained nature of relative underperformance and the need for continued close oversight, notwithstanding the continued delivery of income and adherence to mandate.

Actions

While no immediate remedial action has been deemed necessary, the Board has agreed enhanced monitoring measures for the forthcoming review period.

Performance analysis will be expanded to provide clearer attribution between market capitalisation effects, sector exclusions, and stock-specific outcomes within the permitted universe.

The Board will continue to assess whether investor expectations remain appropriately aligned with the Fund's structural characteristics and whether disclosures sufficiently explain the performance implications of ethical exclusions. Should evidence emerge that long-term recovery potential within the mandate is impaired, the Board will reconsider whether structural changes are required to ensure continued delivery of fair value.

The position will be formally reviewed again at the next annual Assessment of Value cycle, or earlier if performance trends materially deteriorate.

Unicorn Outstanding British Companies Fund

Objective & Policy

The Unicorn Outstanding British Companies Fund aims to achieve long term capital growth by investing in a portfolio of outstanding British companies by taking a long-term view of not less than five years.

British companies are defined as those which are incorporated or domiciled in the UK or have a significant part of their operations in the UK. At least 80% of the companies that the Fund invests into will be British companies. The Fund can also invest into companies that are not otherwise British companies but are listed on stock exchanges in the UK.

Outstanding companies are defined as those whose economics and risks are well understood, whose revenues, earnings and cash flows are predictable to a reasonable degree of certainty, which sell products and services into growing markets, which have market leadership positions and lasting competitive strength, which generate high average and incremental returns on invested capital, which convert a high proportion of their earnings into free, distributable cash, which can show a consistent track record of operating performance, which are run by decent, experienced individuals, who manage their businesses with the goal of maximising owner-value, which operate with low core debt, which are not predominantly acquisition-led, and which produce clean, intelligible financial statements.

The Fund may also invest in smaller companies, including companies quoted on AIM. AIM is the London Stock Exchange’s international market for smaller, growing companies. The Fund may also invest, at its discretion, in other transferable securities and deposit sand cash. The Fund may also enter into certain derivative and forward transactions for hedging purposes. The Fund invests for the long term and there is no guarantee that any particular return will be achieved, over any period, and investors should note that their capital is always at risk.

Assessment

Key Metrics	5-year total return - % to 31/12/25	10-year total return - % to 31/12/25	OCF -%
Unicorn Outstanding British Companies Fund	-16.25	31.67	0.85
IA UK All Companies	16.09	66.96	0.84 (IA Active Funds)

The Fund was assessed against the seven Assessment of Value criteria, with particular emphasis on whether long-term capital growth has been delivered in a manner consistent with the stated objective and whether investor outcomes justify the charges paid.

For the five-year period to 31 December 2025, the Fund delivered a total return of -1.59%, compared with 42.50% for the IA UK All Companies sector. Over ten years, the Fund returned 14.37%, relative to 83.68% for the sector. These figures represent a sustained and material divergence from the broader UK equity market.

In last year’s Assessment of Value, the Board acknowledged that quality growth strategies and exposure to smaller companies had faced headwinds, and enhanced monitoring was introduced. During the current review, the Board undertook a deeper analysis of the drivers of underperformance. It noted that large-cap UK equities have materially outperformed smaller and mid-sized businesses over the period, with the FTSE 100 delivering substantially stronger returns than the broader IA UK All Companies sector over five years. The Fund’s investment philosophy, which emphasises high-quality, predictable, cash-generative businesses and includes meaningful exposure beyond the largest index constituents, has limited participation in that large-cap driven market leadership.

However, the Board concluded that structural style headwinds alone do not fully account for the magnitude and duration of relative underperformance. Unlike strategies with explicit capitalisation constraints, this Fund's mandate is sufficiently broad to allow flexibility in positioning. The Board therefore scrutinised stock selection outcomes, sector allocation, valuation discipline, liquidity management and risk controls in greater depth.

No deficiencies were identified in governance oversight, operational controls, or adherence to process. The investment philosophy remains consistently applied and clearly articulated. Since inception, the Fund continues to demonstrate a strong long-term track record. Nevertheless, the negative five-year return and materially lagging ten-year performance indicate that capital growth has not been delivered in line with broader market alternatives for a sustained period.

Charges remain broadly in line with comparable active strategies and have not increased. However, regulatory guidance emphasises that fees must be justified by outcomes. The Board therefore considered carefully whether investors are currently receiving sufficient benefit relative to cost.

After extensive challenge and debate, the Board concluded that while performance has been materially weaker than the IA UK All Companies sector, the Fund's long-term philosophy remains credible, the investment process remains robust, and there is evidence that style conditions may normalise over time. The Board therefore determined that the Fund continues to deliver value, but only narrowly so, and that the assessment requires heightened oversight.

Conclusion

Having undertaken a comprehensive review and robust challenge, the Board has concluded that the Unicorn Outstanding British Companies Fund continues to deliver value to investors, albeit narrowly so. The Fund has been managed consistently in accordance with its stated objective of achieving long-term capital growth through investment in outstanding British companies, and governance, oversight and cost levels remain appropriate relative to comparable active strategies. The investment philosophy has been applied with discipline and integrity, and no deficiencies have been identified in process or operational controls.

However, the Board recognises that total return performance over both the five- and ten-year periods has materially lagged the IA UK All Companies sector and that investors have not experienced capital growth outcomes comparable to broader UK equity alternatives. While the Fund's emphasis on high-quality, cash-generative businesses and exposure beyond the largest index constituents has been a defining feature of its identity, these characteristics have constrained participation in the strongest-performing segments of the market and the divergence has now persisted for an extended period.

This conclusion reflects the sustained nature of relative underperformance and the need for heightened oversight and strategic reassessment, notwithstanding continued adherence to mandate and appropriate cost discipline.

Actions

In light of the finely balanced nature of this assessment, the Board has agreed that the forthcoming review period will include a fundamental evaluation of whether the Fund's current investment objective and philosophical framework remain the most appropriate means of delivering long-term capital growth for investors.

While the investment process has been applied consistently and without evidence of governance or operational weakness, the persistence of relative underperformance requires the Board to consider whether the definition of "outstanding British companies," as currently articulated and implemented, continues to offer the most effective route to achieving the Fund's objective in the prevailing and prospective market environment.

Accordingly, the Board will undertake a structured and open philosophical review of the strategy. This will include examination of whether the current interpretation of quality, growth, capital allocation discipline and balance sheet conservatism remains sufficiently adaptable to evolving market structures; whether the opportunity set available within the mandate remains robust; and whether refinements to the objective or its practical expression may be necessary to enhance long-term outcomes.

This review will not be limited to portfolio construction or tactical adjustments but will extend to considering the broader positioning of the Fund within the UK equity landscape. The Board will challenge whether the mandate, as currently framed, continues to meet investor expectations and whether alternative articulations of the objective could better align philosophy with outcome.

The conclusions of this review will be presented during the next assessment cycle, or sooner if appropriate. Should the Board determine that the current objective no longer represents the most effective framework for delivering sustainable value, appropriate changes will be implemented.

The Fund will remain under enhanced monitoring throughout this process.

Unicorn UK Growth Fund

Objective & Policy

The Unicorn UK Growth Fund aims to achieve long-term capital growth through investment in a portfolio of UK Companies. UK Companies are defined as those which are incorporated or domiciled in the UK or have a significant part of their operations in the UK.

The Fund may also invest in smaller companies including companies quoted on the AIM stock exchange. AIM is the London Stock Exchange's international market for smaller, growing companies. The Fund may also invest, at its discretion, in other transferable securities and deposits and cash. The Fund may also enter into certain derivative and forward transactions for hedging purposes. The Fund invests for the long term and there is no guarantee that any particular return will be achieved, over any period, and investors should note that their capital is always at risk.

Assessment

Key Metrics	5-year total return - % to 31/12/25	10-year total return - % to 31/12/25	OCF -%
Unicorn UK Growth Fund	9.64	86.07	0.93
IA UK All Companies	42.5	83.68	0.84 (IA Active Funds)

The Fund was assessed against the seven Assessment of Value criteria, with particular focus on whether long-term capital growth has been delivered in line with the stated objective and whether investor outcomes justify the charges paid.

For the five-year period to 31 December 2024, the Fund delivered a total return of 9.64%, compared with 42.50% for the IA UK All Companies sector. Over ten years, the Fund returned 86.07%, marginally ahead of the IA UK All Companies sector return of 83.68%. The Fund's OCF for the period was 0.93%, compared with the IA active peer average of 0.84%.

The Board acknowledged that while the long-term ten-year performance remains competitive and ahead of the peer group, the five-year return has materially lagged the IA UK All Companies sector. The review period has been characterised by significant market dispersion, with large-cap and value-oriented companies materially outperforming growth-oriented and mid-cap businesses. The Fund's investment philosophy, which focuses on identifying companies with long-term structural growth characteristics, has limited exposure to certain large-cap index constituents that have driven sector returns during this period.

In assessing whether this divergence undermines value, the Board undertook detailed performance attribution analysis. It concluded that the primary drivers of relative underperformance over five years were style and market-capitalisation effects rather than deterioration in stock selection discipline, portfolio construction integrity, or governance oversight. The investment process has been applied consistently and remains aligned with the Fund's objective of long-term capital growth.

The Board also noted that the Fund's ten-year performance remains robust relative to peers and that the since-inception track record continues to demonstrate the ability of the investment philosophy to generate attractive long-term returns across full market cycles. While past performance cannot guarantee future outcomes, valuation dispersion between growth and value segments has narrowed in recent periods, and the opportunity set within UK growth equities appears more attractive than during the height of style rotation.

The OCF remains modestly above the IA average. The Board considered whether the differential is justified and concluded that the charge remains appropriate in light of the Fund's active management approach, research intensity, and longer-term performance record.

Conclusion

Having undertaken a comprehensive review and robust challenge, the Board has concluded that the Unicorn UK Growth Fund continues to deliver value to investors, albeit with some concerns requiring continued oversight. The Fund has been managed consistently in accordance with its stated objective of achieving long-term capital growth through investment in UK companies, and governance, oversight and cost levels remain appropriate relative to comparable active strategies. The investment philosophy has been applied with discipline and integrity, and no deficiencies have been identified in process or operational controls.

However, the Board recognises that total return performance over the five-year period has materially lagged the IA UK All Companies sector and that investors have not experienced capital growth outcomes comparable to broader UK equity alternatives during that timeframe. While the Fund's growth-oriented philosophy and exposure beyond the largest index constituents are defining features of its identity and long-term positioning, these characteristics have constrained participation in market segments that have led returns over the review period.

This conclusion reflects the medium-term nature of relative underperformance and the need for continued monitoring, notwithstanding the Fund's strong ten-year track record and a more constructive investment outlook for UK growth equities.

Actions

While no immediate structural changes are considered necessary, the Board will monitor whether recent improvements in growth-style performance are sustained and whether the Fund's relative five-year position begins to recover. Should underperformance persist without evidence of improving relative momentum, the Board will consider whether refinements to portfolio construction or implementation are warranted.

The Fund's cost position will also remain under review to ensure that the OCF differential relative to peers remains justified by outcomes delivered.

The Fund's value assessment will be formally revisited at the next annual review, with interim oversight maintained throughout the year.

Unicorn Mastertrust Fund

Objective & Policy
The Unicorn Mastertrust Fund aims to achieve long term capital growth by primarily investing in a range of listed investment companies.

The investment companies themselves invest around the world. Investment companies are companies that can invest in a portfolio of assets. Their shares are listed on a stock exchange, in the same way as a normal company. The Fund will choose investment companies which the Manager believes have good potential to grow and which are attractively priced.

The Fund may also invest, at its discretion, in other transferable securities, deposits, cash and near cash and units of eligible collective investment schemes. The Fund may also enter into certain derivative and forward transactions for hedging purposes.

The Fund invests for the long term and there is no guarantee that any particular return will be achieved, over any period, and investors should note that their capital is always at risk.

Assessment

Key Metrics	**5-year total return - % to 31/12/25**	**10-year total return - % to 31/12/25**	**OCF - %**
Unicorn Mastertrust Fund	42.67	143.02	0.83
IA Flexible Investment	26.63	76.37	1.00

The Fund was assessed against the seven Assessment of Value criteria, with particular focus on whether long-term capital growth has been delivered in line with the stated objective and whether investor outcomes justify the charges paid.

For the five-year period to 31 December 2024, the Fund delivered a total return of 42.67%, compared with 26.63% for the IA Flexible Investment sector. Over ten years, the Fund returned 143.02%, materially ahead of the IA Flexible Investment sector return of 76.37%. The Fund's OCF for the period was 0.83%, compared with the IA sector average of 1.00%.

The Board noted that the Fund has demonstrated sustained outperformance over both medium- and long-term periods relative to its peer group. The strategy of investing primarily in listed investment companies, many of which themselves provide diversified global exposure, has enabled the Fund to benefit from both asset allocation flexibility and valuation opportunities available within the investment trust universe. The Board considered whether this outperformance was driven by excessive risk-taking or unintended concentration but concluded that portfolio construction remains disciplined and consistent with the Fund's long-term growth objective.

The investment process, which focuses on identifying attractively valued listed investment companies with strong growth potential, has been applied consistently. The Board reviewed portfolio liquidity, gearing exposure within underlying holdings, discount and premium dynamics, and the overall risk profile of the Fund. No concerns were identified in respect of governance, oversight, or risk management.

In addition to strong performance, the Fund's cost position compares favourably with its sector. The OCF is below the IA Flexible Investment average, and the Board is satisfied that charges are proportionate to the service, research intensity and active management delivered.

The Board also considered whether investors continue to receive a differentiated and clearly articulated proposition. The Fund's structure offers access to global asset classes through carefully selected listed investment companies, which may provide diversification benefits relative to traditional multi-asset funds.

Conclusion

Having undertaken a comprehensive review and robust challenge, the Board has concluded that the Unicorn Mastertrust Fund continues to deliver good value to investors. The Fund has been managed consistently in accordance with its stated objective of achieving long-term capital growth through investment in listed investment companies, and governance, oversight and cost levels remain appropriate relative to comparable active strategies. The investment philosophy has been applied with discipline and integrity, and no deficiencies have been identified in process or operational controls.

The Board recognises that market conditions can affect the relative performance of flexible and investment company-based strategies over shorter periods. However, over both five- and ten-year horizons, investors have experienced capital growth outcomes materially ahead of the IA Flexible Investment sector. This outperformance, combined with a competitive cost structure, supports the conclusion that the Fund is delivering good value.

Actions

The Fund's value assessment will be formally revisited at the next annual review, with ongoing oversight maintained throughout the year.

Unicorn UK Smaller Companies Fund

Objective & Policy
The Unicorn UK Smaller Companies Fund aims to achieve long-term capital growth by investing primarily in UK companies included within the UK Numis Smaller Companies plus AIM Index. For this purpose, UK companies are defined as those which are incorporated or domiciled in the UK, or have a significant part of their operations in the UK. The Index covers the bottom tenth by value of the main UK equity market plus AIM stocks that meet the same size limit.

The Fund invests for the long term and there is no guarantee that any particular return will be achieved, over any period, and investors should note that their capital is always at risk.
The investment approach is to identify individual companies for investment and therefore the portfolio may not be representative of the index.

AIM is the London Stock Exchange's International Market for smaller growing companies.
The Fund may also invest, at its discretion, in other transferable securities and deposits and cash. The Fund may also enter into certain derivative and forward transactions for hedging purposes.

The Fund invests for the long term and there is no guarantee that any particular return will be achieved over any period. Investors should note that their capital is always at risk.

Assessment

Key Metrics	5-year total return - % to 31/12/25	10-year total return - % to 31/12/25	OCF - %
Unicorn UK Smaller Companies	21.19	85.44	0.89
NSCI plus AIM (ex IC)	36.03	82.38	N/A
IA UK Smaller Companies	2.71	66.33	0.91

The Fund was assessed against the seven Assessment of Value criteria, with particular focus on whether long-term capital growth has been delivered in line with the stated objective and whether investor outcomes justify the charges paid.

For the five-year period to 31 December 2024, the Fund delivered a total return of 21.19%. While this was below the return of the NSCI plus AIM (ex Investment Companies) Index, which delivered 36.03% over the same period, it was materially ahead of the IA UK Smaller Companies sector, which returned 2.71%. Over ten years, the Fund returned 85.44%, broadly in line with the NSCI plus AIM benchmark return of 82.38% and materially ahead of the IA UK Smaller Companies sector return of 66.33%. The Fund's OCF for the period was 0.89%, compared with the IA sector average of 0.91%.

The Board noted that the five-year period has been particularly challenging for UK smaller companies as an asset class. Relative to large-cap UK equities, smaller companies have faced sustained valuation compression and lower investor flows. Within this context, the Fund's ability to materially outperform the IA sector over both five- and ten-year horizons was viewed positively.

The Board considered the five-year underperformance relative to the NSCI plus AIM benchmark. It noted that the Fund is not managed on an index-tracking basis and that portfolio construction reflects high-conviction stock selection rather than index replication. Attribution analysis confirmed that relative divergence from the benchmark was primarily driven by stock-specific outcomes and selective positioning rather than structural risk mismanagement or style drift.

The investment process, which focuses on identifying individual smaller companies with attractive long-term growth characteristics, has been applied consistently. The Board reviewed liquidity management, portfolio concentration, and exposure to AIM-listed securities, given the inherent volatility of the smaller companies universe. No concerns were identified in respect of governance, risk controls or operational oversight.

Charges remain competitive relative to the IA UK Smaller Companies sector, with the Fund's OCF marginally below the sector average. The Board is satisfied that costs are proportionate to the research intensity and active management required in the smaller companies segment.

Conclusion

Having undertaken a comprehensive review and robust challenge, the Board has concluded that the Unicorn UK Smaller Companies Fund continues to deliver good value to investors. The Fund has been managed consistently in accordance with its stated objective of achieving long-term capital growth through investment in UK smaller companies, and governance, oversight and cost levels remain appropriate relative to comparable active strategies. The investment philosophy has been applied with discipline and integrity, and no deficiencies have been identified in process or operational controls.

The Board recognises that performance over the five-year period has lagged the NSCI plus AIM benchmark. However, investors have experienced materially stronger outcomes than the IA UK Smaller Companies sector over both five- and ten-year periods, and ten-year returns remain broadly aligned with the benchmark. Given the challenging environment for UK smaller companies during the review period, the Fund's relative resilience within its peer group supports the conclusion that value has been delivered.

Actions

While no remedial actions are required, the Board will continue to monitor relative performance against both the benchmark and the IA sector, with particular focus on stock-level contribution and portfolio concentration risk within the smaller companies universe.

The Board will also maintain oversight of liquidity management, given the characteristics of AIM and smaller-cap securities, and ensure that portfolio positioning remains appropriate across varying market conditions.

The Fund's cost position will remain under review to ensure continued competitiveness relative to the IA UK Smaller Companies sector.

The Fund's value assessment will be formally revisited at the next annual review, with ongoing oversight maintained throughout the year.