

This report summarises the conclusions reached by the T. Bailey Fund Services Limited Board of Directors ("TBFS") and the TBFS Fund Governance Committee ("FGC") on whether the TB Guinness UK Equity Income Fund (the "Fund") has delivered value to investors during the period. The framework used by TBFS takes into account seven criteria as outlined below. In order to reach this conclusion, TBFS has analysed Fund information on costs, services and performance and has also made comparisons where appropriate. TBFS has also engaged with Guinness Asset Management Limited, the Investment Adviser and Sponsor of the Fund, as part of the process. This report is a summary of the overall conclusions reached, split by the seven criteria.

The overall assessment for each criteria is shown by the colour of the circle: Green is satisfactory (the Fund is delivering value based on that measure), Amber means some issues have been identified and Red means the Fund is not delivering value based on that measure and action is required to rectify.

The report concludes with an overall assessment of value which takes into account all of the seven criteria.

### Is the performance of the Fund, after charges over an appropriate timescale, in line with the Fund's investment objectives, policy and strategy?

#### Performance

##### Review performed:

- Review of Fund performance after costs compared to stated objectives to provide investors with a combination of both capital growth and income over the long term (7 to 10 years).

##### Conclusion:

- The Fund has significantly underperformed its comparator benchmarks (MSCI UK All Cap Index and Investment Association ("IA") UK Equity Income Sector) on a cumulative basis since launch in December 2016.
- The Fund has also significantly underperformed its comparator benchmarks over the last 12 months.

##### Steps taken as part of, or as a consequence of, assessment:

- The Investment Objectives and Policy wording of the Fund were updated on 15 February 2023 to ensure that these remain appropriate and transparent.
- TBFS will work with the Investment Adviser and Sponsor of the Fund to address these failings and to devise an enhanced performance monitoring process to assess the ongoing performance of the Fund.

### Are the costs of providing the service reasonable and fair?

#### Costs

##### Review performed:

- Review of Fund costs including the Periodic Charge and other elements which make up the Ongoing Charges Figure ("OCF").

##### Conclusion:

- Costs charged to the Fund are consistent with Prospectus disclosures and are charged at competitive rates.
- External costs are in accordance with agreed rates.
- Periodic reviews of external provider costs are made to ensure services are provided on a competitive basis.

##### Steps taken as part of, or as a consequence of, assessment:

- None.

### Have economies of scale been passed onto investors as the Fund has grown?

#### Economies of Scale

##### Review performed:

- Review of total Fund costs (OCF) over time compared to Fund size.

##### Conclusion:

- The Fund is £0.9m in size and has grown slightly in the last 12 months.
- The OCF for the Fund is fixed and has therefore remained static over this period.
- The Periodic Charge is not tiered.
- No savings from economies of scale could be achieved due to the small size of the Fund.

##### Steps taken as part of, or as a consequence of, assessment:

- None.

## Comparable Market Rates

### Are the Fund costs reasonable when compared to other comparable Funds?

#### Review performed:

- Review of Fund OCF compared to other Funds within the IA UK Equity Income sector.

#### Conclusion:

- The Fund OCF is low compared to the median of all Funds within the sector.
- The Fund OCF is also low compared to Funds of a similar size within the sector.

#### Steps taken as part of, or as a consequence of, assessment:

- None.

## Comparable Services

### Are the services provided to the Fund good value when compared to other services provided by the Authorised Corporate Director ("ACD") / Investment Adviser?

#### Review performed:

- Comparison of rates charged by the ACD to the Fund with rates charged to other mandates.

#### Conclusion:

- The amounts charged to the Fund are reasonable in light of the Fund size and services offered when compared to other services provided by the ACD to other mandates.

#### Steps taken as part of, or as a consequence of, assessment:

- None.

## Classes of Units

### Do any shareholders hold shares in classes subject to higher charges than those applying to other classes with substantially similar rights?

#### Review performed:

- Review of shareholders in all share classes.

#### Conclusion:

- Investors in the three differing share classes (O Overseas, Y Clean and Z Early Investor) are not subject to substantially similar rights.

#### Steps taken as part of, or as a consequence of, assessment:

- None.

## Quality of Service

### Is the range and quality of services provided to investors of good quality?

#### Review performed:

- Review of range and quality of all services provided to shareholders. This review involved identification of services and assessment of quality via review of relevant key performance indicators ("KPIs").

#### Conclusion:

- The range of services provided by the Investment Adviser, the ACD and other third parties is comprehensive.
- The quality of services provided by the Investment Adviser, the ACD and other third parties is high.
- The level of Fund charges is therefore felt to be commensurate with the range and quality of services provided.

#### Steps taken as part of, or as a consequence of, assessment:

- None.

## Overall Assessment

### Conclusion - Overall Assessment

TBFS's assessment (as the ACD of the Fund) is that due to the significant underperformance of the TB Guinness UK Equity Income Fund there are some key areas where improvements need to be made.