

LF Havelock London Investment Funds

Value Assessment

December 2021

An introduction from the Board

As the Board of Link Fund Solutions Limited (“LFSL”), we are committed to creating and maintaining investor value within the funds we operate. Value to us doesn’t just mean cost. Value is a combination of investment performance, product goals and design, transparency, charges, and quality of service.

In our capacity as the Authorised Corporate Director (“ACD”) we are responsible for the operation of the funds covered by this report. It is our role and responsibility as Board of the ACD to make sure our funds are operated in accordance with UK regulations and their stated investment objectives and policies.

This assessment of value report represents a snapshot of an ongoing process of oversight and monitoring of our funds throughout each year. We combine internal data with independent external inputs to review our funds’ value against the Financial Conduct Authority’s (“FCA”) Assessment Criteria (and others where applicable), which we have grouped under three categories of Quality, Performance and Costs. We aim to provide investors with transparency in our reports. We do this by summarising key elements of this data, where appropriate, and providing explanations of our ratings in the conclusion for each of the three categories, as well as an overall rating for each fund.

The Board of LFSL has established a Value Assessment Committee, which is chaired by the non-executive Chair of the LFSL Board, currently includes three LFSL Board members, as well as senior management representing relevant areas of the business. The Committee meets monthly to review value assessment findings, to prepare final value assessment reports for sign off, and to ensure any appropriate further actions are defined and monitored through to completion. In establishing the assessment framework and carrying out its ongoing duties, the Committee met more than 20 times throughout 2020.

The introductory pages to this report provide further details on our value assessment governance approach, how we have assessed value, and the format of the value assessment report itself. We hope that this report helps investors assess the value delivered by our funds clearly, simply, transparently and fairly.

The Board of Directors
Link Fund Solutions Limited

April 2022

Governance approach

Our Board

This Value Assessment Report has been approved by the LFSL Board of Directors. The Board is comprised of the Chair, who is one of three independent non-executive directors, plus three executive directors and one director representing the owner, Link Group (Link Administration Holdings Limited).

Independent Directors

Alistair Reid

Independent Non-Executive Director
Chair of LFSL Board

- 40+ years' industry experience

Tony Stuart

Independent Non-Executive Director

- 40 years' industry experience

Elizabeth Tracey

Independent Non-Executive Director

- 37 years' industry experience

Executive Directors

Karl Midl

Managing Director

- 27 years' industry experience
- 26 years at Link Fund Solutions

Ben Hammond

Finance Director

- 21 years' industry experience
- 18 years at Link Fund Solutions

Nigel Boyling

Director

- 30+ years' industry experience
- 11 years at Link Fund Solutions

Governance of our assessment of value

To ensure our assessments are carried out in a consistent manner we have developed the following governance framework.

- **Value Assessment Committee** – made up of senior leaders from across the business and members of the Board of the ACD, including the Chair of the Board, who also acts as Chair of the Value Assessment Committee. The Committee is responsible for reviewing the assessment and any proposed actions, and raising matters to the Board for review and approval.
- **Value Assessment Working Group** – made up of subject matter experts from across our business who are responsible for analysing internal data and the data sourced from external providers that is used to develop our assessment for each fund.
- **Product Governance** – any actions identified during the assessment are actively tracked through our Product Governance framework.

Our assessment process

Our Assessment of Value, which uses independently sourced market data as well as our own, is based on the seven key assessment criteria outlined by the Financial Conduct Authority (“FCA”), grouped into three core categories: Quality, Performance and Cost.

Category	Quality	Investment Performance	Cost
Assessment Criteria	<ul style="list-style-type: none"> Quality of service 	<ul style="list-style-type: none"> Investment Objective/ Investment Performance 	<ul style="list-style-type: none"> Overall costs Economies of scale Comparable market rates Comparable services Classes of shares

Using these assessment criteria, we have sought to establish whether the funds in the report provide overall value to investors. In addition, we will also consider whether any other assessment criteria should be considered when undertaking the assessment.

In our assessment, we have considered events and in particular, appropriate long-term performance prior to the assessment period. Where appropriate and relevant to our assessment we have also commented on events that have occurred since the end of the assessment period, including performance. We have also stated where we may propose to take corrective action.

Quality

To assess Quality, we reviewed the operation and management of the funds against agreed service levels. The service provision includes a review of the following key elements:

- The timely and accurate calculation of the fund’s prices and income payments to investors
- Accessibility, accuracy and use of plain language in fund documentation and investor communications
- Timely and accurate production and distribution of investor statements
- Ensuring trading activities are within fund guidelines
- The level of, and timely response to, any complaints from investors.

Performance

To assess Performance, we reviewed the performance of the funds against their objectives and benchmarks over the assessment period and stated recommended holding periods. Where appropriate we have commented on events that may have contributed to any short-term under or over performance during the relevant period.

Costs

To assess Costs, we reviewed the following areas over the assessment period:

- The Ongoing Charges Figure (“OCF”) of the fund, which includes charges for the following services:
 - Investment management
 - Depositary/custody
 - Fund administration
 - Audit and Legal
 - Our own service as ACD
- Economies of scale
- Market competitiveness
- Investor / share class appropriateness.

How we present our findings

Ratings

The results of our assessments are presented using a traffic light system. A traffic light rating is given to each fund that summarises our overall assessment and our findings for the three core categories of Quality, Performance and Cost.

Green – Offers good value

Amber – Has provided value in some but not all areas; additional monitoring and/or further action may be proposed

Red – Has not provided good value; appropriate further action should be detailed

In addition to the overall traffic light rating, we provide individual ratings and commentary on each of the three core categories of Quality, Performance and Cost for each of the funds included in this report.

Overview

Company	LF Havelock London Investment Funds (the “Company”)	
Authorised Corporate Director (“ACD”)	Link Fund Solutions Limited (“LFSL”)	
Investment Manager	Havelock London Limited	
Fund	LF Havelock Global Select	Page 6
Assessment Period	01 January 2021 – 31 December 2021	

LF Havelock Global Select

Executive Summary

- LF Havelock Global Select (“the Fund”) launched in August 2018, and currently has 1 share class available for investment.
- The Fund is aimed at investors who are recommended to hold shares for a minimum period of 3 years.
- The Fund’s share class has returned 15.22% during the assessment period, 36.14% over the minimum recommended holding period, and 28.31% since launch.
- The Fund’s share class has outperformed its Comparator Benchmark over the assessment period by 3.84% but has underperformed over the minimum recommended holding period by 1.69%, furthermore, the Fund has outperformed since launch by 2.16%
- The Total Charges Figure of the Fund’s share class is lower than the middle value (median) of comparable share classes in the Sector.

We have assessed the Fund based on seven key assessment criteria and grouped these into three core categories: Quality, Performance and Cost. Using these assessment criteria, as detailed below, we (as ACD) have sought to establish whether the Fund provides overall value to investors.

Metric	Quality	Investment Performance	Cost
Assessment Criteria	<ul style="list-style-type: none"> • Quality of service 	<ul style="list-style-type: none"> • Investment Objective / Investment Performance 	<ul style="list-style-type: none"> • Overall costs • Economies of scale • Comparable market rates • Comparable services • Classes of shares
LF Havelock Global Select			
Investment Objective	The Sub-fund aims to achieve investment growth (net of fees) over 3-5 years.		
Comparator Benchmark	IA Flexible Investment Sector		
Assets Under Management (“AUM”)	£29.00 million (as at 31 December 2021)		
IA Sector	Flexible Investment Sector (the “Sector”)		
Previous Actions Carried Forward	None.		
Actions Proposed	No action required.		

Conclusion



Based on our assessment, we have concluded that the Fund provides overall value to investors and we have therefore given the Fund a **Green** rating due to the Fund's outperformance relative to its Comparator Benchmark since launch and lower than average costs relative to the Sector. Our assessment concluded that no further action is required at this time but we will continue to monitor the Fund to ensure it continues to meet its objective.

LF Havelock Global Select

Quality

In order to assess Quality, we reviewed the operation and management of the Fund against agreed service levels. The service provision includes a review of the following key elements:

- The timely and accurate calculation of the Fund's prices and income payments to investors
- Accessibility, accuracy and the use of plain language in Fund documentation and investor communications
- Timely and accurate production and distribution of investor statements
- Ensuring trading activities are within Fund guidelines
- The level of, and timely response to, any complaints from investors

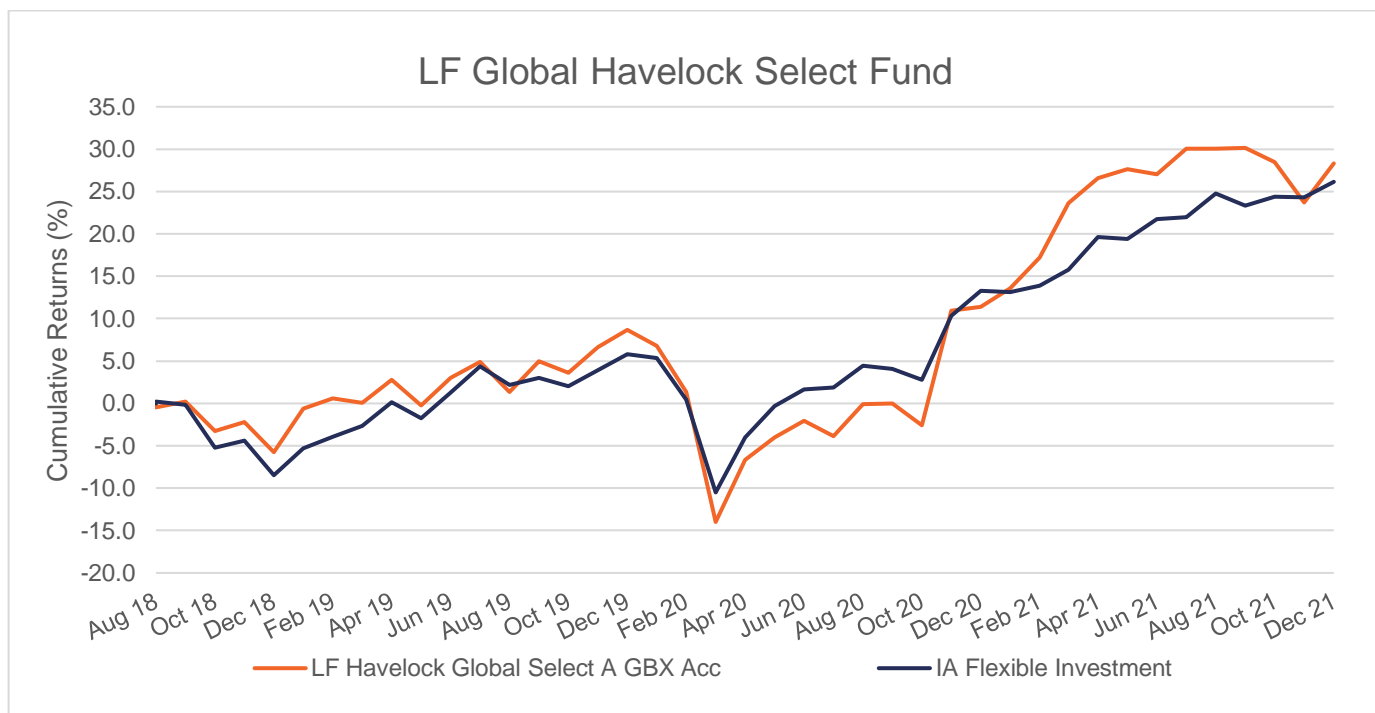
Quality Conclusion



Following our review of the criteria, we have not identified any matters that affected the quality of service during the assessment period. We therefore conclude that the Fund offers overall value when assessing Quality and have given the Fund a **Green** rating. We continue to review our processes and keep investors updated with any changes to the Fund.

LF Havelock Global Select Investment Performance

To assess Performance, we reviewed the Fund’s performance against its objective and benchmark since launch. The graph below shows the cumulative performance of the Fund’s share class and the cumulative performance of its Comparator Benchmark over the minimum recommended holding period.



The table below shows the cumulative performance of the Fund’s primary share class over 1 year, 3 years, and since launch, as well as its relative performance against the Comparator Benchmark. Relative performance is calculated as the Fund’s cumulative return minus the Comparator Benchmark’s cumulative return over the period.

Share Class	Time Period	Fund’s Performance over the Time Period **	Fund’s Relative Performance vs Comparator Benchmark **
“A” Accumulation	Since Launch	28.31%	2.16%
	3 years	36.14%	-1.69%
	1 year	15.22%	3.84%

** Returns are cumulative and net of fees with dividends reinvested. Past performance is not a guide to future performance.

The Investment Manager has summarised the drivers of the Fund's performance since launch:

"Our investment mantra is that we wish to own a portfolio that will be robust in a range of scenarios, because there are many factors in financial markets that we cannot realistically expect to forecast. This balanced approach has served us well since the fund was launched having delivered positive returns of +15.3% in 2019, +2.4% in 2020 and +15.2% in 2021, resulting in a total cumulative return since inception (21st August 2018) of 28.3%.

The fund is benchmark agnostic and internally we monitor a number of indices. However, the comparator benchmark stated in the prospectus is the IA Flexible Investment sector average, and over 3 years the fund slightly underperformed on a relative basis (36.1% versus 36.8%), but over 1 year outperformed (15.2% versus 11.3%) and was in the 1st quartile, with this strong relative performance continuing into 2022 so far. It is worth noting that this sector has a broad, varied composition with several of the largest funds being absolute return (long/short), having higher fixed income weightings or even being exposed to specific markets (i.e. Japanese equity, Emerging Markets Equity)"

Investment Performance Conclusion



Following our review, we have concluded that the Fund has been managed in accordance with its investment objective and policy. The Fund has provided positive returns over all periods reviewed and has achieved its objective of investment growth. The Fund has outperformed its Comparator Benchmark over the assessment period and since launch. However, the Fund has underperformed over three years. As the Fund has outperformed since launch we rate this criterion **Green** and continue to monitor the Fund. We do not propose any action to be taken on investment performance at this time.

LF Havelock Global Select

Costs

In order to assess Costs, we reviewed the Ongoing Charges Figures (“OCFs”) of the Fund, market competitiveness and investor / share class appropriateness over the assessment period.

We actively monitor costs charged to the Fund against similar funds, including those operated by us, to ensure that it maintains competitive market rates.

We have reviewed the Fund’s OCFs against the Fund’s IA Sector, the IA Flexible Investment Sector (the “Sector”). We reviewed each share class against comparable share classes of funds in the Sector, based on the type and target market of each share class.

Our analysis identified that the OCF of the Fund’s share class is lower than the middle value (median) of comparable share classes in the Sector, as shown in the table below.

Share Class	Total Charges Figure (“OCF”)	Share Class Type	IA Sector Median OCF	Conclusion: Fund OCF vs IA Sector
“A” Accumulation	0.99%	Clean	1.02%	Lower

- For Economies of Scale:**

We assessed the costs charged to the Fund and have determined that the currently available benefits as a result of economies of scale have been passed on to investors. The Investment Manager has agreed, on a discretionary basis, to bear certain costs as part of the Total Charges Figure limit with a view to passing on to the Fund any economies of scale gained. The Total Charges of the Fund’s “A” Accumulation share class are capped at 0.99%.

- For Comparable Market Rates:**

We looked at the OCF of the share class of the Fund and compared them against similar funds.

Share Class	Minimum Initial Investment ¹	Annual Management Charge (“AMC”)	Total Charges Figure (“OCF”) ²	Target Market
“A” Accumulation	£1,000	0.70%	0.99%	Retail Investors

1 We may waive the minimum initial investment levels at our sole discretion.

2 The Total Charges (which includes the ongoing charges) the Fund will pay is capped at 0.99%. This includes portfolio transaction costs. Further details are available in section 7 of the prospectus.

- For Classes of Shares:**

The Fund has one share class, therefore there are no concerns over the classes of shares offered to investors.

Costs Conclusion



Our assessment concluded that the Total Charges Figure of the Fund's share class is lower than the middle value (median) of comparable share classes in the Sector. Based on our assessment of Costs, we have given the Fund a **Green** rating.

Glossary

Annual Management Charge (“AMC”)	An ongoing fee paid to the management company for managing the Fund, usually charged as a percentage of the Fund’s value.
Assets Under Management (“AUM”)	Is the total market value of the investments of a Fund.
Authorised Corporate Director (“ACD”)	A corporate body and an authorised person given powers and duties under the Financial Conduct Authority regulations to operate an Open Ended Investment Company (“OEIC”).
“Clean” Share Class	An unbundled – free of any rebates or intermediary commission – share class freely available through third-party distributors in the retail market.
Cost	<p>Cost is defined by reviewing overall costs, Economies of scale, Comparable market rates, Comparable services, and Classes of shares. The assessment looks at each of the five criteria individually to define value:</p> <ol style="list-style-type: none"> 1. Overall costs: the total ongoing charges of the Fund. 2. Economies of scale: assesses whether any area of savings and benefits from the increase in scale or size in assets under management have been passed onto the investor. 3. Comparable market rates: compares the price charged for investing in the Fund against similar funds. 4. Comparable services: assesses the fair treatment of investors in the Fund. This looks at the investment criteria at share class level within the Fund. 5. Classes of shares: assessing pricing of a share class against those of other share classes within the same Fund, and the points of differentiation of these share classes.
Comparator Benchmark	A benchmark is a standard against which the performance of the Fund can be measured.
Cumulative Return	Shows the aggregated return from an investment over a specific time period.
High Net Worth Individual	A person or family with liquid assets above a certain figure.
Institutional Investor	An Institutional Investor is a company or organisation that invests money in large quantities, typically on behalf of other people.
Intermediary	An individual or organisation which acts as a link between the investor and the Fund, for example a financial adviser.

IA Sector	<p>As there are numerous funds in the market available from different ACDs, the Investment Association (“IA”) provides a list of sectors as a way of dividing these funds into broad groups. Investors can use sectors to compare similar funds’ performance and charges.</p> <p>Flexible Investment: The funds in this sector are expected to have a range of different investments. However, the fund manager has significant flexibility over what to invest in. There is no minimum or maximum requirement for investment in company shares (equities) and there is scope for funds to have a high proportion of shares.</p>
Investment Manager	The company or individual to whom the ACD delegates the responsibility for deciding how to invest the money in the Fund’s assets.
Ongoing Charge Figures (“OCF”)	A single percentage figure used to show the total annual operating costs taken from the assets of the relevant share class over the year, and based on the figures for the preceding year, including the annual management charge, registration fees, the Trustee’s periodic charge, custody fees, and the Auditor’s fees, but excluding any redemption charge, brokerage charges, taxes or other dealing costs incurred in respect of the Fund’s Scheme Property.
Performance	The profit or loss derived from an investment over a specified time period.
Platform Investor	An investor who utilises an online service that makes products available from more than one provider.
Primary Share Class	The highest charging unbundled – free of any rebates or intermediary commission – share class freely available through third-party distributors in the retail market.
Quality	Quality is defined by reviewing Quality of Service. Quality of Service is the range and quality of services provided to investors.
Retail Investor	Is an individual who purchases shares for their own personal account rather than for an organisation. They also typically trade in much smaller quantities.
Share Class	A fund can have several share classes which can have different characteristics and/or charging structures, reflecting the type of investor that would typically buy them.
Sponsor	The Sponsor appoints the ACD, by way of a sponsorship agreement, to act as the regulated operator of the Fund.
Target Benchmark	A Target Benchmark is where a fund aims to match or exceed an index or similar factor.
Volatility	A measure of the size and frequency of changes in the value of an investment.
Yield	The income from an investment usually stated as a percentage of the value of the investment.

Please note that this document is not intended to recommend or to sell an investment and is intended only as a summary. Please refer to the Key Investor Information Document (KIID), Prospectus and Report & Accounts for full details about the specific risks, performance history and other full investment objectives and policies applicable to each fund before investing in a fund. Please remember that the value of investments, and the income from them, can go down as well as up and an investor may get back less than the amount originally invested. Past performance is not a guide to future results. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law changes. If you invest through a third party provider you are advised to consult directly with them as charges, performance and/or terms and conditions may differ. If you are not sure how the information contained in this document may affect your investment, please contact a professional adviser.