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# Epworth Investment Management Ltd

## Order Execution & Allocation Policy

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| <b>Version</b> | <b>Date of Release</b> | <b>Date of next Review</b> | <b>Approved by:</b> | <b>Summary of Changes:</b>  |
|----------------|------------------------|----------------------------|---------------------|-----------------------------|
| V1             | November 2018          |                            | The Epworth Board   | Annual Review               |
| V2             | December 2019          |                            | The Epworth Board   | Annual Review               |
| V3             |                        | April 2020                 | The Epworth Board   | Annual Review – RTS 28 data |

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## OUTLINE FOR ORDER EXECUTION POLICY

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This Order Execution Policy, which includes the Allocation Policy, applies to Epworth Investment Management Limited (EIM). It covers all transactions and all financial instruments executed on behalf of EIM's clients. Specifically, this includes the execution of orders on clients' behalf (where EIM acts a discretionary fund manager) and receiving and transmitting client orders. It excludes orders for mandates delegated to third parties, in which circumstances the third party's order execution policy will apply. Where clients are referred to in this Policy, they are deemed to include funds managed by EIM.

EIM is required to establish and implement effective arrangements for complying with the obligation to take all sufficient steps to obtain the best possible result for EIM clients when executing orders and when placing orders with third parties for Execution. From January 3<sup>rd</sup>, 2018 EIM has been transacting all market orders via a third-party provider, **Northern Trust** (NT) which executes the trades. NT is responsible for obtaining Best Execution on EIMs order flow and will be providing Best Execution monitoring data on a monthly basis to enable EIM to carry out an ongoing assessment to ensure it is satisfied with the results.

With the exception of the counterparties to the Affirmative Deposit Fund for Charities, NT will be EIMs only counterparty. A link to a copy of NTs Order Execution policy can be located on our EIM website <https://www.northerntrust.com/documents/legal/mifid/nt-order-execution-policy.pdf>

### INTRODUCTION

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The objective of this Policy is to establish, implement, monitor and review the portfolio management activities of EIM to ensure the best possible result for clients. This Policy discloses our portfolio management policies, procedures and controls in accordance with the regulations and the requirements of Directives such as the Markets in Financial Instruments Directive ('MiFID') and the Alternative Investment Fund Management Directive ('AIFMD'). This Policy will be reviewed annually. This Policy sets out the standards required under MiFID II. Where a firm undertakes the business of both Managing an AIF under AIFMD and the MiFID Investment Service of Portfolio Management, the firm may decide to adopt a different (AIFMD-compliant) Order Execution Policy for its AFM activities from that it adopts for its MiFID Portfolio Management business.

### BEST EXECUTION OBLIGATION

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Alternative Investment Fund Managers (AIFMs) authorised under the AIFMD, when undertaking the MiFID Investment Service of Portfolio Management, are required to act in accordance with the best interests of its client when placing orders with other entities for execution that result from decisions by the firm to deal in financial instruments, on behalf of its client. This, in turn, requires firms to take all sufficient steps to obtain the best possible result for their clients when placing orders with other entities for execution that result from decisions by the firm to deal in financial instruments on behalf of its client, taking into account the Execution Factors of:

- (a) Price
- (b) Costs
- (c) Speed
- (d) Likelihood of execution and settlement

- (e) Size
- (f) Value
- (g) Type and Characteristics of the financial instrument
- (h) Any other factor relevant to the execution of the order.

The relative importance of these Execution Factors is to be determined by reference to the Execution Criteria.

## **THE EXECUTION CRITERIA**

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The Execution Criteria is as follows:

- (a) the characteristics of the client, including the categorisation of the client as retail or professional;
- (b) the characteristics of the client order;
- (c) the characteristics of financial instruments that are the subject of that order;
- (d) the characteristics of the execution venues to which that order can be directed.

## **SCOPE**

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Where the Firm's client is a professional client, in general EIM would expect price to be the most significant factor in the execution of transactions unless instructed otherwise by the client. However, there may be circumstances where depending on the nature of the transaction other factors should be prioritised over price. EIM owes a professional client a duty of best execution, where they provide EIM with specific instructions in relation to the entire transaction, or any particular aspect of the transaction, then EIM will arrange for the transaction to be executed in accordance with those instructions and in doing so have satisfied best execution obligations. Where such a professional client's instructions relate to only part of the transaction, the remaining element not covered by their instructions will remain subject to Best Execution requirements.

Where the Firm's client is a Retail client, then EIM must determine the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs relating to execution, which shall include all expenses incurred by the client directly relating to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

## **TYPES OF FINANCIAL INSTRUMENTS**

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### **Reference Page 13 (Order Types and scenario Analysis) Northern Trust Order Execution Policy.**

From January 2018, all EIM transactions have been executed through Northern Trust (NT). NT is thus the only counterparty of EIM (with the exception of the Affirmative Deposit Fund approved deposit takers which are listed on page 5 and Foreign Exchange orders which are currently transacted through HSBC).

Orders generated are transmitted to NT via a Bloomberg Terminal, either via the TSOX (Trading Systems Order Exchange) or ESMX (Execution Management System Exchange); the type of Bloomberg exchange used is determined by the asset class of the order.



|   |   |     |     |     |      |           |    |     |        |    |
|---|---|-----|-----|-----|------|-----------|----|-----|--------|----|
| Toronto Dominion Bank   | 3 | Aa1 | AA- | AA- | 3.33 | 1,019,010 | 23 | 42  | -      | 80 |
| <b>£75 million (Category 4 - Average score of 3.4 to 4.4)</b> |   |     |     |     |      |           |    |     |        |    |
| DnB NOR Bank  | 2 | Aa2 | AA- | WD  | 3.50 | 303,211   | 85 | 79  | -      | 75 |
| Handelsbanken plc   | 2 | NR  | AA- | AA  | 3.50 | 332,385   | 80 | 108 | (xvii) | 75 |
| Wells Fargo Bank (sub of Wells Fargo & Co)                    | 3 | Aa1 | A+  | AA- | 3.67 | 1,895,883 | 12 | 7   | (i)    | 75 |
| ANZ Banking Group   | 3 | Aa3 | AA- | AA- | 4.00 | 683,061   | 44 | 49  | -      | 75 |
| Bank of Montreal  | 3 | Aa2 | A+  | AA- | 4.00 | 590,876   | 50 | 60  | -      | 75 |
| Bank of Nova Scotia (sub of ScotiaBank)                       | 3 | Aa2 | A+  | AA- | 4.00 | 762,208   | 41 | 48  | (ii)   | 75 |
| Canadian Imperial Bank of Commerce                            | 3 | Aa2 | A+  | AA- | 4.00 | 455,801   | 59 | 82  | -      | 75 |
| Commonwealth Bank of Australia                                | 3 | Aa3 | AA- | AA- | 4.00 | 722,344   | 42 | 45  | -      | 75 |
| National Australia Bank                                       | 3 | Aa3 | AA- | AA- | 4.00 | 584,428   | 51 | 51  | -      | 75 |
| Nordea Bank   | 3 | Aa3 | AA- | AA- | 4.00 | 633,795   | 48 | 58  | -      | 75 |
| SEBanken  | 3 | Aa2 | A+  | AA- | 4.00 | 286,553   | 87 | 100 | -      | 75 |
| Union Bank of Switzerland                                     | 3 | AA2 | A+  | AA- | 4.00 | 958,489   | 29 | 40  | -      | 75 |
| Westpac Banking Corp  | 3 | Aa3 | AA- | AA- | 4.00 | 637,386   | 46 | 47  | -      | 75 |
| ING Bank (sub of ING Group)                                   | 3 | Aa3 | A+  | AA- | 4.33 | 1,019,554 | 22 | 34  | (vi)   | 75 |
| Rabobank Nederland  | 3 | Aa3 | A+  | AA- | 4.33 | 678,663   | 45 | 43  | -      | 75 |
| HSBC Bank UK plc (sub of HSBC Holdings plc)                   | 3 | Aa3 | AA- | A+  | 4.33 | 2,558,124 | 7  | 9   | (xiii) | 75 |
| HSBC Bank plc (sub of HSBC Holdings plc)                      | 3 | Aa3 | AA- | A+  | 4.33 | 2,558,124 | 7  | 9   | (xiii) | 75 |
| <b>£70 million (Category 5 - Average score of 4.4 to 5.4)</b> |   |     |     |     |      |           |    |     |        |    |
| Bank of Scotland plc (subsidiary of Lloyds Banking Group plc) | 3 | Aa3 | A+  | A+  | 4.67 | 1,009,618 | 25 | 37  | (x)    | 70 |
| BNP Paribas   | 3 | Aa3 | A+  | A+  | 4.67 | 2,345,789 | 9  | 13  | -      | 70 |
| Citibank NA   | 3 | Aa3 | A+  | A+  | 4.67 | 1,817,383 | 11 | 8   | (xii)  | 70 |
| KBC Bank (sub of KBC Group)                                   | 3 | Aa3 | A+  | A+  | 4.67 | 326,216   | 82 | 90  | -      | 70 |
| Lloyds Bank plc - (sub of Lloyds Banking Group Plc)           | 3 | Aa3 | A+  | A+  | 4.67 | 1,009,618 | 25 | 37  | (x)    | 70 |
| Credit Agricole   | 3 | Aa3 | A+  | A+  | 4.67 | 2,131,911 | 10 | 12  | (xiv)  | 70 |
| Credit Agricole CIB (sub of Credit Agricole)                  | 3 | Aa3 | A+  | A+  | 4.67 | 2,131,911 | 10 | 12  | (xiv)  | 70 |
| Bank of New York Mellon                                       | 3 | A1  | A   | AA- | 5.00 | 363,012   | 73 | 83  | -      | 70 |
| Credit Industriel et Commercial (sub of Credit Mutuel)        | 3 | Aa3 | A   | A+  | 5.00 | 979,959   | 27 | 31  | (iii)  | 70 |
| Credit Mutuel Helaba Bank (Landesbank Hessen-Thüringen)       | 3 | Aa3 | A   | A+  | 5.00 | 979,959   | 27 | 31  | (iii)  | 70 |
| Shinhan Bank  | 3 | Aa3 | A+  | A   | 5.00 | 411,939   | 64 | 63  | -      | 70 |
| State Street Corp   | 2 | A1  | A   | AA- | 5.00 | 244,626   | 97 | 104 | (v)    | 70 |
| Credit Suisse (sub of Credit Suisse Group)                    | 3 | A1  | A+  | A   | 5.33 | 784,608   | 39 | 38  | -      | 70 |
| Barclays Bank UK Plc (sub of Barclays Plc)                    | 3 | A1  | A   | A+  | 5.33 | 1,434,535 | 19 | 25  | (viii) | 70 |
| Nationwide BS   | 3 | Aa3 | A   | A   | 5.33 | 322,673   | 83 | 102 | -      | 70 |
| Santander UK plc - (sub of Banco Santander)                   | 3 | Aa3 | A   | A+  | 5.33 | 1,677,323 | 15 | 15  | (xv)   | 70 |
| Standard Chartered Bank                                       | 3 | A1  | A   | A+  | 5.33 | 688,762   | 43 | 44  | -      | 70 |
| Barclays Bank Plc (sub of Barclays Plc)                       | 3 | A1  | A   | A+  | 5.33 | 1,434,535 | 19 | 25  | (viii) | 60 |
| <b>£60 million (Category 6 - Average score of 5.4 to 6.4)</b> |   |     |     |     |      |           |    |     |        |    |
| Landesbank Baden-Württemberg                                  | 2 | Aa3 | NR  | A-  | 5.50 | 277,257   | 91 | 106 | -      | 60 |
| Norinchukin Bank  | 2 | A1  | A   | WD  | 5.50 | 955,228   | 31 | 18  | -      | 60 |
| Mitsubishi UFG Bank (sub of Mitsubishi UFJ Financial Group)   | 3 | A1  | A   | A   | 5.67 | 2,805,075 | 5  | 10  | (iv)   | 60 |
| Mitsubishi UFJ Trust and Banking Corp (sub of Mitsubishi UFJ) | 3 | A1  | A   | A   | 5.67 | 2,805,075 | 5  | 10  | (iv)   | 60 |

|  |   |    |    |     |      |           |           |    |       |    |  |
|--|---|----|----|-----|------|-----------|-----------|----|-------|----|--|
| Financial Group)   |   |    |    |     |      |           |           |    |       |    |  |
| Lloyds Bank Corporate Markets  | 3 | A1 | A  | A   | 5.67 | 1,097,445 | 22        | 38 | (x)   | 60 |  |
| Societe Generale   | 3 | A1 | A  | A   | 5.67 | 1,536,299 | 17        | 29 | -     | 60 |  |
| Sumitomo Mitsui Banking Corp (sub of Sumitomo Mitsui Financial Group)        | 3 | A1 | A  | A   | 5.67 | 1,874,462 | 13        | 14 | (vii) | 60 |  |
| Sumitomo Mitsui Banking Corp London (sub of Sumitomo Mitsui Financial Group) | 3 | A1 | A  | A   | 5.67 | 1,874,462 | 13        | 14 | (vii) | 60 |  |
| J P Morgan Chase & Co  | 2 | A2 | A- | AA- | 5.67 | 2,622,532 | 6         | 5  | (ix)  | 60 |  |
| Mizuho Bank Ltd (sub of Mizuho Financial Group)                              | 3 | A1 | A  | A-  | 6.00 |           | 1,810,244 | 14 | 17    | 60 |  |
| Sumitomo Mitsui Trust Bank   | 3 | A1 | A  | A-  | 6.00 |           | 514,146   | 56 | 65    | 60 |  |
| Wells Fargo & Co   | 2 | A2 | A- | A+  | 6.00 | 1,895,883 | 12        | 7  | (i)   | 60 |  |
| Mizuho Financial Group   | 2 | A1 | A- | A-  | 6.33 |           | 1,810,244 | 14 | 17    | 60 |  |

**£40 million (Category 7 - Average score of 6.4 to 7.4)**

|                            |   |      |      |    |      |           |    |    |      |   |
|----------------------------|---|------|------|----|------|-----------|----|----|------|---|
| Ø ING Group                | 1 | Baa1 | A-   | A+ | 6.67 | 1,019,554 | 22 | 34 | (vi) | 0 |
| Ø Lloyds Banking Group plc | 1 | A3   | BBB+ | A+ | 6.67 | 1,009,618 | 25 | 37 | (x)  | 0 |

**Nil (Category 8 - Average score above 7.4)**

|                                 |   |    |   |   |      |         |    |    |   |     |
|---------------------------------|---|----|---|---|------|---------|----|----|---|-----|
| Danske Bank (LENDING SUSPENDED) | 3 | A2 | A | A | 6.00 | 548,845 | 53 | 72 | - | n/a |
|---------------------------------|---|----|---|---|------|---------|----|----|---|-----|

WD - Rating withdrawn; NR - Not rated  
Ø Average Short term rating of P-2 results in category downgrade; or lending limited to overnight and call deposits and up to a maximum of £20 million if category 7

**Proposed Category Changes Since Last Review**

**Proposed Deletions**

**Proposed Additions**

## EXECUTION FACTORS

Reference Page 5 (3. Execution Factors) Northern Trust Order Execution Policy.

## SPECIFIC INSTRUCTIONS

Where a specific client instruction is received in respect of an order, EIM will communicate the instructions to Northern Trust or the relevant Affirmative Deposit Fund deposit takers. In doing so, EIM will have deemed to fulfil its Best Execution obligation. Where instructions relate to only part of an order, EIM will communicate this to NT in accordance with this Policy to those aspects of the order not covered by the specific instruction. It should be noted that following specific client instructions those instructions may prevent achievement of the best possible result of the execution of those orders.

## MONITORING OF POLICY AND ARRANGEMENTS, AND REVIEW PROCESS

EIM monitors the effectiveness of its execution arrangements and this Policy in order to identify any deficiencies. This Policy will be reviewed no less than annually and is available on the EIM Website. ([www.epworthinvestment.co.uk](http://www.epworthinvestment.co.uk))

Best Execution monitoring will be determined via Bloomberg BTCA (Bloomberg Transaction Cost Analysis) platform via Northern Trust (NT). On a monthly basis, NT will deliver Best Execution

monitoring data with root cause analysis attached. This will provide the basis on which EIM will determine its Best Execution quality.

Regulatory Technical Standards (RTS) 28 requirements will be satisfied via data provided from NT. The data will be published on EIMs website in the correct format in line with MiFID II requirements and timescale.

### **Identification and management of conflicts of interest**

EIM maintains organisational arrangements that identify conflicts and potential conflicts of interest that exist within the Firm and the procedures and controls that have been adopted to manage these conflicts. These arrangements are subject to review and approval by the Compliance Officer. Individual employees are permitted to trade securities for their own accounts, in which case, the individual must follow the procedures, which are designed to prevent individuals from engaging in personal transactions that may compete or interfere materially with the trading of client accounts. It requires individual employees to report their personal securities transactions to the Compliance Officer for review. (Reference: *Personal Account Dealing Policy*).

Furthermore, individuals are required to:

- Seek prior approval to any personal trade
- Receive approval prior to any personal trading
- Provide copies of contract notes to the Compliance Officer.

An area where a conflict of interest potentially arises is in the placing of orders for multiple clients and the subsequent fair allocation of trades. With reference to the *Order Allocation Policy*, the risk of unfair treatment is minimised by the procedures employed by EIM's fund managers and the communication to NT. The allocation of executed trades when completed in full is allocated to participating clients without delay unless there is significant reason for not doing so.

### **Aggregation of Orders**

EIM will carry out a client order in aggregation with another client order when EIM is satisfied that each client is treated fairly and to do so would not disadvantage either client. Aggregated orders will be allocated in accordance with EIM's *Order Allocation Policy*. It should be noted that EIM do not generally aggregate orders.

### **Order Allocation Policy**

For orders across multiple funds where there is a partial execution, allocation is always made on a pro rata basis (with respect to the orders placed, not the size of the relevant funds). However, if that results in a holding which, in the relevant fund managers opinion, is too small to be suitable (for example, it is below minimum market size or would incur disproportionate costs to the client) then the relevant fund may be excluded from the allocation. The basis of that re-allocation is recorded within our order management system.



## SENIOR MANAGEMENT OVERSIGHT

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Under MiFID II, Article 27 (4) and (7), EIM has an obligation to monitor the effectiveness of its order execution arrangements and its Policy, including the execution quality of its transactions.

To assist the review process, EIM has put in place the necessary processes aimed at meeting this obligation. This may include the following:

- A Monthly Best Execution monitoring working group with NT, to include outlier monitoring and root cause analysis with narrative;
- Performance monitoring – The Compliance Officer will ensure NT meets EIMs Best Execution requirements, the results of which will be highlighted at Epworth Board meetings;
- This Policy will be reviewed annually and Epworth Board approval sought.

Equity - Article 65 (6) table (2019) - In accordance with ESMA guidance, Equity Instruments, Fixed income and Corporate Bond Contracts are reported in the Delegated Regulation Article 65 (6) format below. (next page)

Epworth Investment Management Limited on behalf of The Central Finance Board of the Methodist Church  
RTS 28 - Top Five Order Transmission Destinations  
1 January 2019 to 31 December 2019

| Class of instrument  |   | (a) Equities - Shares and Depository Receipts: (i) Tick size liquidity bands 5 and 6 (from 2,000 trades per day) |                             |                               |                      |                         |                      |
|--|---|--|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |   | No   |                             |                               |                      |                         |                      |
| Rank   | Broker LEI                                | Broker name  | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | 549300EFBAZLRG0UC208                      | Northern Trust Securities LLP  | 100.00%                     | 100.00%                       | 63.28%               | 36.72%                  | 0.00%                |
| 2  | Not applicable                            | Not applicable   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 3  | Not applicable                            | Not applicable   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 4  | Not applicable                            | Not applicable   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 5  | Not applicable                            | Not applicable   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| ~  | Remaining Order Transmission Destinations |  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| <b>Total</b>   |   |  | <b>100%</b>                 | <b>100%</b>                   | <b>63%</b>           | <b>37%</b>              | <b>0%</b>            |

| Class of instrument  |   | (a) Equities - Shares and Depository Receipts: (ii) Tick size liquidity bands 3 and 4 (from 80 to 1,999 trades per day) |                             |                               |                      |                         |                      |
|--|---|---|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |   | Yes   |                             |                               |                      |                         |                      |
| Rank   | Broker LEI                                | Broker name   | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | 549300EFBAZLRG0UC208                      | Northern Trust Securities LLP   | 100.00%                     | 100.00%                       | 54.64%               | 45.36%                  | 0.00%                |
| 2  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 3  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 4  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 5  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| ~  | Remaining Order Transmission Destinations |   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| <b>Total</b>   |   |   | <b>100%</b>                 | <b>100%</b>                   | <b>55%</b>           | <b>45%</b>              | <b>0%</b>            |

| Class of instrument  |   | (a) Equities - Shares and Depository Receipts: (ii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day) |                             |                               |                      |                         |                      |
|--|---|---|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |   | No  |                             |                               |                      |                         |                      |
| Rank   | Broker LEI                                | Broker name   | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | 549300EFBAZLRG0UC208                      | Northern Trust Securities LLP   | 100.00%                     | 100.00%                       | 45.47%               | 54.53%                  | 0.00%                |
| 2  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 3  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 4  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 5  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| ~  | Remaining Order Transmission Destinations |   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| <b>Total</b>   |   |   | <b>100%</b>                 | <b>100%</b>                   | <b>45%</b>           | <b>55%</b>              | <b>0%</b>            |

| Class of instrument  |   | (b) Debt Instruments (i) Bonds |                             |                               |                      |                         |                      |
|--|---|--------------------------------|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |   | Yes                            |                             |                               |                      |                         |                      |
| Rank   | Broker LEI                                | Broker name                    | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | 549300EFBAZLRG0UC208                      | Northern Trust Securities LLP  | 100.00%                     | 100.00%                       | n/a                  | n/a                     | 0.00%                |
| 2  | Not applicable                            | Not applicable                 | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| 3  | Not applicable                            | Not applicable                 | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| 4  | Not applicable                            | Not applicable                 | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| 5  | Not applicable                            | Not applicable                 | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| ~  | Remaining Order Transmission Destinations |                                | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| <b>Total</b>   |   |                                | <b>100%</b>                 | <b>100%</b>                   | <b>n/a</b>           | <b>n/a</b>              | <b>0%</b>            |

| Class of instrument  |   | (k) Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities) |                             |                               |                      |                         |                      |
|--|---|---|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |   | No  |                             |                               |                      |                         |                      |
| Rank   | Broker LEI                                | Broker name   | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | 549300EFBAZLRG0UC208                      | Northern Trust Securities LLP   | 100.00%                     | 100.00%                       | 36.29%               | 63.71%                  | 0.00%                |
| 2  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 3  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 4  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| 5  | Not applicable                            | Not applicable  | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| ~  | Remaining Order Transmission Destinations |   | 0.00%                       | 0.00%                         | 0.00%                | 0.00%                   | 0.00%                |
| <b>Total</b>   |   |   | <b>100%</b>                 | <b>100%</b>                   | <b>36%</b>           | <b>64%</b>              | <b>0%</b>            |

**IMPORTANT NOTES**

**Note 1:** 'PASSIVE' and 'AGGRESSIVE' order values for classes of instrument (a) Equity - Shares and Depository Receipts and (k) Exchange Traded Products are determined based upon an assumption that for the purposes of Article 2 of Commission Delegated Regulation (EU) 2017/576 (RTS 28) where an order is transmitted to a broker for execution rather than directly to a trading venue these values can be calculated using the execution price of each transaction instead of the order or placement itself on the basis of the following:

Y (1) A transaction will be considered to be 'PASSIVE' where the execution price for that transaction is:  
(a) for a BUY order, at a price equal to or less than the prevailing primary market MID at the time of execution; or  
(b) for a SELL order, at a price equal to or greater than the prevailing market MID at the time of execution.

(2) A transaction will be considered to be 'AGGRESSIVE' where the execution price for that transaction is:  
(a) for a BUY order, at a price greater than the prevailing primary market MID at the time of execution; or  
(b) for a SELL order, at a price less than the prevailing market MID at the time of execution.

**Note 2:** 'PASSIVE' and 'AGGRESSIVE' order values for class of instrument (b) Debt Instruments are not considered to be applicable due to the market structure for this class of instrument which is primarily based upon a 'request-for-quote' model rather than the 'order book' model more common in other classes of instrument, consequently values are not reported.

Epworth Investment Management Limited on behalf of The Central Finance Board of the Methodist Church

RTS 28 - Top Five Execution Venues

1 January 2019 to 31 December 2019

| Class of instrument  |                            | (a) Equities - Shares and Depository Receipts: (i) Tick size liquidity bands 5 and 6 (from 2,000 trades per day) |  |                             |                               |                      |                         |                      |
|--|----------------------------|--|--|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |                            | Yes  |  |                             |                               |                      |                         |                      |
| Rank   | MIC                        | Operator LEI   | Execution Venue Name                                 | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | XLON                       | 213800D1E4B9WTWWD28  | London Stock Exchange - Regulated Market             | 47.07%                      | 12.39%                        | 61.60%               | 38.40%                  | 0.00%                |
| 2  | TRQM                       | 2138006SKBMJUUE2HV03   | Turquoise MTF - Plato                                | 9.46%                       | 7.82%                         | 62.66%               | 37.34%                  | 0.00%                |
| 3  | XPOS                       | 213800EEC95PRUCEUP63   | ITG POSIT MTF - Dark                                 | 9.40%                       | 3.28%                         | 85.43%               | 14.57%                  | 0.00%                |
| 4  | BATP                       | 254900ERRPSKE7UZ711  | Cboe Europe Equities MTF - BXE Periodic Auction Book | 7.67%                       | 5.71%                         | 85.73%               | 14.27%                  | 0.00%                |
| 5  | CHD                        | 254900ERRPSKE7UZ711  | Cboe Europe Equities MTF - CXE Reference Price Book  | 4.19%                       | 6.55%                         | 66.64%               | 33.36%                  | 0.00%                |
| -  | Remaining execution venues |  |  | 22.21%                      | 64.24%                        | 59.61%               | 40.39%                  | 0.00%                |
| <b>Total</b>   |                            |  |  | <b>100%</b>                 | <b>100%</b>                   | <b>63%</b>           | <b>37%</b>              | <b>0%</b>            |

| Class of instrument  |                            | (a) Equities - Shares and Depository Receipts: (ii) Tick size liquidity bands 3 and 4 (from 80 to 1,999 trades per day) |   |                             |                               |                      |                         |                      |
|--|----------------------------|---|---|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |                            | Yes   |   |                             |                               |                      |                         |                      |
| Rank   | MIC                        | Operator LEI  | Execution Venue Name                                | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | XLON                       | 213800D1E4B9WTWWD28   | London Stock Exchange - Regulated Market            | 51.49%                      | 14.50%                        | 33.08%               | 66.92%                  | 0.00%                |
| 2  | XPOS                       | 213800EEC95PRUCEUP63  | ITG POSIT MTF - Dark                                | 7.08%                       | 3.70%                         | 95.43%               | 4.57%                   | 0.00%                |
| 3  | CHD                        | 254900ERRPSKE7UZ711   | Cboe Europe Equities MTF - CXE Reference Price Book | 6.78%                       | 5.11%                         | 88.06%               | 11.94%                  | 0.00%                |
| 4  | TRQM                       | 2138006SKBMJUUE2HV03  | Turquoise MTF - Plato                               | 6.25%                       | 5.62%                         | 84.96%               | 15.04%                  | 0.00%                |
| 5  | XPAC                       | 213800EEC95PRUCEUP63  | ITG POSIT MTF - Periodic Auction                    | 5.59%                       | 2.81%                         | 100.00%              | 0.00%                   | 0.00%                |
| -  | Remaining execution venues |   |   | 22.82%                      | 68.26%                        | 61.44%               | 38.56%                  | 0.00%                |
| <b>Total</b>   |                            |   |   | <b>100%</b>                 | <b>100%</b>                   | <b>55%</b>           | <b>45%</b>              | <b>0%</b>            |

| Class of instrument  |                            | (a) Equities - Shares and Depository Receipts: (ii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day) |   |                             |                               |                      |                         |                      |
|--|----------------------------|---|---|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |                            | Yes   |   |                             |                               |                      |                         |                      |
| Rank   | MIC                        | Operator LEI  | Execution Venue Name                              | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | XLON                       | 213800D1E4B9WTWWD28   | London Stock Exchange - Regulated Market          | 85.19%                      | 19.58%                        | 27.32%               | 72.68%                  | 0.00%                |
| 2  | XPOS                       | 213800EEC95PRUCEUP63  | ITG POSIT MTF - Dark                              | 6.24%                       | 3.42%                         | 100.00%              | 0.00%                   | 0.00%                |
| 3  | XADF                       | Not available   | FNRA Alternative Display Facility (ADF)           | 2.61%                       | 0.24%                         | 100.00%              | 0.00%                   | 0.00%                |
| 4  | XTKS                       | 353800279ADEFGKNTV65  | Tokyo Stock Exchange                              | 1.44%                       | 6.01%                         | 57.63%               | 42.37%                  | 0.00%                |
| 5  | LISX                       | 254900ERRPSKE7UZ711   | Cboe Europe Equities MTF - Large in Scale Service | 0.84%                       | 0.24%                         | 100.00%              | 0.00%                   | 0.00%                |
| -  | Remaining execution venues |   |   | 3.68%                       | 70.52%                        | 46.13%               | 53.87%                  | 0.00%                |
| <b>Total</b>   |                            |   |   | <b>100%</b>                 | <b>100%</b>                   | <b>45%</b>           | <b>55%</b>              | <b>0%</b>            |

| Class of instrument  |                            | (b) Debt Instruments (i) Bonds |  |                             |                               |                      |                         |                      |
|--|----------------------------|--------------------------------|--|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |                            | No                             |  |                             |                               |                      |                         |                      |
| Rank   | MIC                        | Operator LEI                   | Execution Venue Name                           | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | BMTF                       | 549300ROEJDDAXM6LU05           | Bloomberg Multilateral Trading Facility        | 84.74%                      | 81.21%                        | n/a                  | n/a                     | 0.00%                |
| 2  | XOFF                       | 549300EF8AZLRG0UC208           | Off-Exchange Transactions - Listed Instruments | 11.71%                      | 15.76%                        | n/a                  | n/a                     | 0.00%                |
| 3  | BBSI                       | G5GSEF7VJP57OLK5573            | Barclays Bank plc - SI                         | 3.10%                       | 1.82%                         | n/a                  | n/a                     | 0.00%                |
| 4  | HSBC                       | MP66ZYZBEU3UXPYFY54            | HSBC Bank plc - SI                             | 0.46%                       | 1.21%                         | n/a                  | n/a                     | 0.00%                |
| 5  | N/A                        | Not applicable                 | Not applicable                                 | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| -  | Remaining execution venues |                                |  | 0.00%                       | 0.00%                         | n/a                  | n/a                     | 0.00%                |
| <b>Total</b>   |                            |                                |  | <b>100%</b>                 | <b>100%</b>                   | <b>n/a</b>           | <b>n/a</b>              | <b>0%</b>            |

| Class of instrument  |                            | (k) Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities) |  |                             |                               |                      |                         |                      |
|--|----------------------------|---|--|-----------------------------|-------------------------------|----------------------|-------------------------|----------------------|
| Notification if < 1 average trade per business day in year |                            | Yes   |  |                             |                               |                      |                         |                      |
| Rank   | MIC                        | Operator LEI  | Execution Venue Name                     | % of VOLUME traded in class | % of ORDERS executed in class | % of PASSIVE orders* | % of AGGRESSIVE orders* | % of DIRECTED orders |
| 1  | BMTF                       | 549300ROEJDDAXM6LU05  | Bloomberg Multilateral Trading Facility  | 85.65%                      | 43.44%                        | 33.11%               | 66.89%                  | 0.00%                |
| 2  | XLON                       | 213800D1E4B9WTWWD28   | London Stock Exchange - Regulated Market | 4.92%                       | 6.56%                         | 23.53%               | 76.47%                  | 0.00%                |
| 3  | ARCX                       | Not available   | NYSE Arca, Inc. - NYSE Arca              | 2.38%                       | 8.75%                         | 40.15%               | 59.85%                  | 0.00%                |
| 4  | XADF                       | Not available   | FNRA Alternative Display Facility (ADF)  | 1.82%                       | 1.25%                         | 0.00%                | 100.00%                 | 0.00%                |
| 5  | XNAS                       | 549300LBX1Q78ERXFD06  | NASDAQ - All Markets                     | 1.73%                       | 5.94%                         | 41.72%               | 58.28%                  | 0.00%                |
| -  | Remaining execution venues |   |  | 3.49%                       | 34.06%                        | 30.60%               | 69.40%                  | 0.00%                |
| <b>Total</b>   |                            |   |  | <b>100%</b>                 | <b>100%</b>                   | <b>36%</b>           | <b>64%</b>              | <b>0%</b>            |

**IMPORTANT NOTES**

Note 1: 'PASSIVE' and 'AGGRESSIVE' order values for classes of instrument (a) Equity - Shares and Depository Receipts and (k) Exchange Traded Products are determined based upon an assumption that for the purposes of Article 2 of Commission Delegated Regulation (EU) 2017/576 ('RTS 28') where an order is transmitted to a broker for execution rather than directly to a trading venue these values can be calculated using the execution price of each transaction instead of the order or placement itself on the basis of the following:

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Commentary

- All orders in all asset classes are transacted through Northern Trust on an agency basis.
- The Top 5 listed Execution Venues in all asset classes above are primarily populated by a number of large exchanges, given their ability to provide liquidity access across the asset class range and support large and small ticket sizes.
- It should be noted that there were no close links, conflicts of interest or common ownership with respect of execution venues used to execute orders.
- It should be noted that there were no payments made or received, or any discounts or any non-monetary received from brokers in the period stated. (2019) Epworth maintains a Code of Ethics and Conduct policy applicable to all Epworth affiliates. The Policy places restrictions on the receipt of gifts, travel and entertainment opportunities by their members of staff.
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