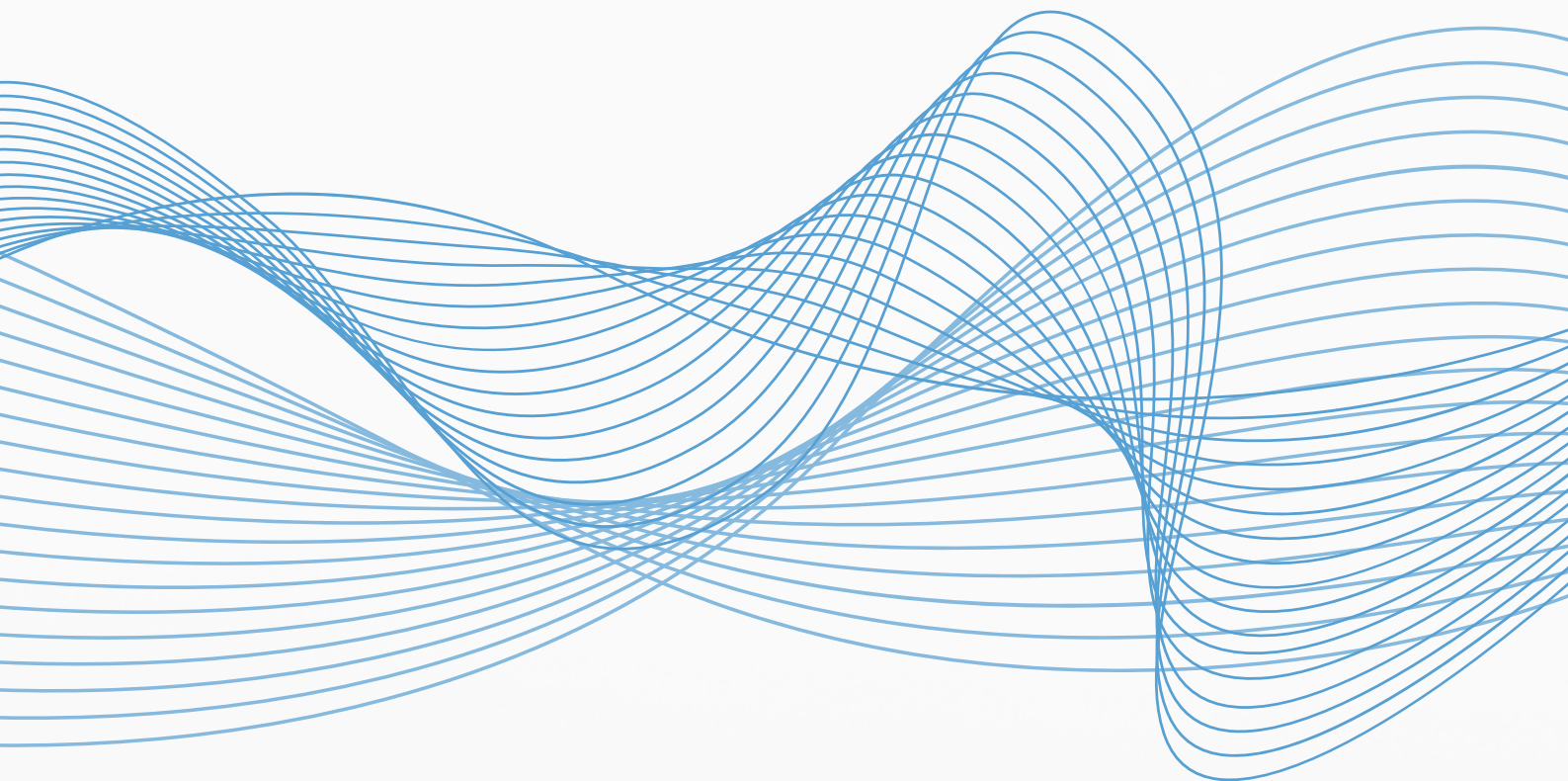




Slater Investments Limited



Slater Recovery Fund Interim Report

**For the six months ended
31st May 2023 (Unaudited)**



Directory

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London
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Custodian and Depositary

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London
EC2A 2DA

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Ashcombe Court
Woolsack Way
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*Authorised and regulated by the Financial Conduct Authority.

** Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.



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Authorised Status and General Information

Authorised status

Slater Recovery Fund (the “Fund”) is an authorised unit trust scheme established by a Trust Deed dated 25 March 2002. It is a UK UCITS scheme as defined in the Collective Investment Schemes Sourcebook (COLL). The Fund is authorised and regulated by the Financial Conduct Authority with effect from 2 April 2002.

Unitholders of the Fund are not liable for the debts of the scheme.

Investment objective and strategy

The investment objective of the Fund is to achieve capital growth.

The Fund will invest in companies both in the UK and overseas but concentrating mainly or, where appropriate, exclusively on UK shares. Other investments including bonds, warrants and options, within the limits imposed by the trust deed may also be used where it is considered that they meet the investment objective. It is also intended where appropriate to take advantage of underwritings and placings. At times it may be appropriate for the Fund not to be fully invested but to hold cash and near cash. The Fund has powers to borrow as specified in the COLL and may invest in derivatives and forward transactions for hedging purposes only.

Value for Money Assessment

Slater Investments Limited’s latest Value for Money Assessment can be found at

<https://www.slaterinvestments.com/value-assessment-report/>.

Rights and terms attaching to each unit class

Each unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

Director's Statement

This report has been prepared in accordance with the requirements of the COLL as issued and amended by the FCA

Mark Slater
Director

Ralph Baber
Director

SLATER INVESTMENTS LIMITED

Date: 31 July 2023

Fund Manager's Report

Report for the six month period ended 31 May 2023

Performance	Six Months	1 Year	3 Years	5 Years	Since Launch*
Slater Recovery Fund P unit class	-5.55%	-14.89%	+27.25%	+35.24%	+558.44%
Investment Association (IA) OE UK All Companies	+1.00%	-1.34%	+24.78%	+7.80%	+334.06%

*A unit class launched 10 March 2003

Market Commentary

This was a very hard six months for the Fund. The index for mid-cap shares hit a low in October 2022 and then staged a rally of over 20% until February 2023, when it started weakening again. Fears of persistent inflation, and the interest rates needed to curb it, took a toll. The Fund's exposure to media and IT took a toll as investors braced for an impact on profits which has so far largely not yet arrived. During the half the Fund declined by -5.55%.

Portfolio Review

Five shares contributed more than +0.45% and seven detracted by as much. The two biggest, **Kape Technologies** and Sureserve, both received takeover offers. Kape contributed +0.97% and it rose +19%. This might seem pleasing but was in fact extremely irksome. The company succumbed to a slightly increased offer from dominant shareholder Unikmind at \$3.60 per share, worth 288p at the current exchange rate. This was similar to the 265p level of last autumn's fundraising but was a third below the share price in autumn 2021. The exit multiple was a painfully low 11 times. Unikmind had behaved fairly at Safecharge and Market Tech, so we were surprised by its treatment of other investors in Kape, using the threat of delisting to force investors to accept a price rejected by the board.

Fund Manager's Report (Continued)

Report for the six month period ended 31 May 2023

Portfolio Review (continued)



Sureserve contributed +0.88% and it climbed a much more satisfactory +79%. We supported the offer from private equity at 125p per share which generated a +92% gain versus book cost. The forward multiple is 13.7.

Tesco rose +15% and contributed +0.62%. It reported a 5.3% rise in sales for the year to 28 February 2023, with adjusted earnings unchanged year-on-year. These numbers are hard to square with government statistics reporting food inflation of 18% during that year. Clearly, consumers changed their mix of spending to cope with higher prices. Tesco has shown it can maintain market share without crushing margins. The forward multiple is undemanding at 11.9 falling to 10.8.



Hollywood Bowl continues to impress, contributing +0.47% and gaining +28%. Interim results to 31 March 2023 showed adjusted profits up 7.5% after tax. The average price per game was held at 635p and is now nearly a quarter cheaper than at Ten Entertainment. In Canada, the gross margins are structurally lower, mainly because more food and drink are sold, but the returns on capital match the United Kingdom (UK). Rising corporation tax will have an impact while in financial year 2025 there will be a £1.2 million dent. This is because Hollywood's excellent fixed price energy contract will have expired. The only marginal disappointment has been the performance of Puttstars, the crazy golf format, whose units have struggled to meet Hollywood's target of 19% return on investment. The company sees scope to introduce smaller pin bowling formats from Canada. Puttstars is likely to become an element in larger centres rather than stand-alone while the smaller bowling formats may be used in more tricky floor plates where golf previously seemed the only solution. Forecasts look exceedingly cautious and therefore we think the true earnings multiple is a distance below the consensus of 13.5 times.



Fund Manager's Report (Continued)

Report for the six month period ended 31 May 2023

Portfolio Review (continued)

Foresight Group rose +20% and contributed +0.45%. A trading update in April 2023 reported a 34% rise in assets under management to £12.2 billion in the year to March 2023. The company reiterated its target of 20-25% growth per year on a rolling three-year basis. It also raised guidance, leading analysts to nudge forecasts higher. The forward multiple is 11.1 followed by 9.6. These ratings continue to seem very grudging in view of the consistent growth being achieved.

Among the fallers, **FRP Advisory** detracted by -0.46% after losing -34%. An update for the year to April 2023 reported a 9% rise in revenue and a 5% increase in underlying earnings before interest, taxes, depreciation, and amortisation (EBITDA). The company increased its share of administrations from 13% to 14% but it still waits impatiently to see a surge in the complex restructurings where it can shine. As a result, staff utilisation remains stuck in the mid-60s range whereas the company hopes to see mid-70s once the bad times start to roll. A further issue, which is harder to solve, is the perceived overhang on the share price from partner-shareholders seeking to sell chunks of their holdings. This issue has dogged many quoted consultancies and law firms.

Eneraqua Technologies detracted by -0.51% after dropping -51%. The results for the year to January 2023 were announced on 23 May 2023 and were in line. But the statement also warned of sharply lower margins in the current year, which caused forecasts for the current year to be nearly halved. This guidance contrasted starkly with the confident tone of an update on 13 March 2023. How could matters have changed so suddenly? The company said its local authority and housing association customers had reviewed capital budgets and needed to move more expensive projects into the following year to save money. Eneraqua insisted that no projects had been shelved. This was obviously very disappointing and it severely dented the company's credibility. Meantime progress on water saving projects remains murky. This is in theory a much bigger opportunity than supplying ground source heat pumps but we await firm news on commercialisation.

Jubilee Metals fell -39% and detracted by -0.56%. An update in April 2023 was in line with forecasts for the year to June 2023 but the main issue for investors remains the fate of Jubilee's expansion in the copper/cobalt belt of northern Zambia. The acquisition of a refinery there has been long delayed. Meantime in South Africa it has done well operationally but the price of rhodium, one of the platinum group metals it refines, has been very weak. It has halved since last autumn and is down three quarters from its spike in 2021. The culprit here is the Chinese auto market, where new emission standards arriving in July 2023 have left automakers with millions of unsold vehicles which will be non-compliant and outright unsaleable from year end. Meantime electric vehicles have compounded the problem by taking 30% of the market. Demand for rhodium may recover after production of emission compliant vehicles ramps up.

Fund Manager's Report (Continued)

Report for the six month period ended 31 May 2023

Portfolio Review (continued)

Serco retreated -17% and detracted by -1.09%. The forecasts have been stable but we think the share is still adjusting to the low-key persona of new Chief Executive Officer (CEO) Mark Irwin, which contrasts with the charisma of his predecessor Rupert Soames. The new United States (US) debt ceiling might be cited as a reason for caution but the company sees US defence as its main target for growth. Defence was exempted from budget cuts though it is only forecast to rise 3% annually. The forward multiple at 10.4 falling to 9.6 is very undemanding.



NCC tumbled -57% and detracted by -1.13%. The company delivered two warnings as it was caught out by the speed at which key technology clients cancelled or deferred projects. New CEO Mike Maddison set out his plan to move many functions offshore but he was caught out by the pace of market change. Plans to open a centre in Manila have been sped up. In the US and UK, staff went from being overstretched a year ago to being drastically under-utilised. This led to a 7% reduction in head count. Meantime plans to sell the escrow division for perhaps £300 million seem to have been shelved. A year ago the division seemed a drag on growth whereas now it offers a haven of stability. Forecasts are never easy with NCC but we have confidence in Maddison and see the price to earnings ratio of 12.1 falling to 9.5 as a promising recovery opportunity.



The two biggest detractors were **Next 15** and Future. They were both drastically de-rated on fears of an advertising slump which is yet to materialise. Next 15 fell -29% and detracted by -1.17% despite reporting a 35% rise in adjusted earnings in the year to 31 January 2023. Admittedly, these earnings are becoming harder to assess because around £90 million of the current year's expected £630 million revenue comes from a West Coast start-up incubator called Mach49. The EBITDA margin at this operation is 35%, so it accounts for maybe a fifth of group profits. Next 15 has a great track record with acquisitions but investors have de-rated it to 8.6 times for the next 12 months.

Fund Manager's Report (Continued)

Report for the six month period ended 31 May 2023

Portfolio Review (continued)

Future's fall from grace has been even harsher. It fell -49% and detracted by -2.37%. As at Serco, investors are still adjusting to the departure of a much-respected CEO. At Future, new CEO Jon Steinberg only arrived on 3 April 2023. At our meeting with him he identified boosting the direct sales force as his main task this year. In the UK, Future has a strong sales force at Techradar whereas in the US it is much less strong. Steinberg expects to see results from his plan within six months. Investors were also unsettled by the potential impact of AI on search. The concern is that consumers will be happy to rely on the extended answers from search rather than clicking through in the normal way. Future believes most consumers will want more depth than an AI summary can give. The company is also handling the growth in short form video well. Future remains an amazing cash generator. A 10% fall in like-for-like revenues only resulted in a 12% fall in adjusted earnings and a 6% fall in free cashflow. This is impressive given how hard it is to trim fixed costs quickly. The forward multiple of 5.1 is extremely pessimistic.



Purchases and Sales

We added to **Converge Technology Solutions**, **Ecora Resources**, **Franchise Brands**, **Instem**, **Loungers**, **NCC**, **SSE**, **STV** and **Trifast**. We reduced **City of London Investment Group** and we sold **GXO Logistics** and **Kape Technologies** (via takeover).

Outlook

Gloom and pessimism is the default condition for humans. We still need to worry about sabre-toothed tigers, even if nowadays they come in the form of AI and rampant inflation. That said, the value now available from UK shares is remarkable and a historic opportunity.



Slater Investments Limited.
July 2023

Fund Manager's Report (Continued)

Distributions (pence per unit)

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Class A Accumulation</u>				
Net income paid 31 January	-	-	-	-
Net income paid 31 July	1.3726	-	0.0867	-
<u>Class B Accumulation</u>				
Net income paid 31 January	1.2745	0.1651	-	0.4825
Net income paid 31 July	2.2912	0.3190	0.8851	-
<u>Class P Accumulation</u>				
Net income paid 31 January	1.7605	0.7421	-	0.8477
Net income paid 31 July	2.8546	0.8231	1.3780	-

Material portfolio changes

For the six months ended 31 May 2023

Total Purchases	Cost (£)	Total Sales	Proceeds (£)
Franchise Brands	5,171,400	Kape Technologies	24,016,623
Instem	2,309,666	GXO Logistics	230,172
Loungers	1,790,031	City of London Investment Group	104,854
SSE	1,398,967		
Converge Technology Solutions	1,321,454		
Ecora Resources	1,306,205		
Trifast	690,346		
NCC	88,959		
STV	47,652		
Total purchases for the six months	14,124,680	Total sales for the six months	24,351,649

Enviromental, Social and Governance (ESG) Report

For the period ended 31 May 2023

Introduction

The Financial Reporting Council (“FRC”) oversees the UK’s Stewardship Code (“Code”), promoting transparency and integrity in business and setting high stewardship standards for those investing money on behalf of UK investors. The Code was refreshed in 2020, requiring all institutions to reapply for signatory status. Slater Investments Limited (“Slater Investments” or the “Company”) is proud to have been successful and was added in the first cohort of those accepted. The Code additionally requires signatories to demonstrate year-on-year improvement. Slater Investments’s 2021 Stewardship Code Report was also successful. The 2022 Report (which is currently under review by the FRC) is available [online](#). Since September 2019, the Company has been a voluntary member of the United Nations supported Principles for Responsible Investment, an organisation committed to responsible investment. This involvement places Slater Investments at the heart of the global community seeking to build a more sustainable financial system.

Sustainable Finance Disclosure Regulation (“SFDR”)

The Slater Recovery Fund is classified as Article 8 under Regulation (EU) 2019/2088, which means it is a “Fund which promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.” Integral to this is the assessment of the risks and opportunities presented by various ESG factors, which is embedded in our investment process. Additional information can be found in Appendix F of the Fund’s [Prospectus](#).

The periodic disclosures, as required under Article 11 of SFDR, are set out in the Appendix to this Report.

ESG and the Investment Process

Slater Investments’s ESG Committee works closely with the Company’s Investment Committee to ensure that stewardship is embedded in Slater Investments’s investment process. The primary focus for the ESG Committee is to pre-emptively monitor for ESG risks that may emerge which might threaten the price earnings ratio or earnings growth prospects of Slater Investments’s investee companies. The ESG Committee regularly works with investee companies, offering advice as to how they can improve their ESG practices.

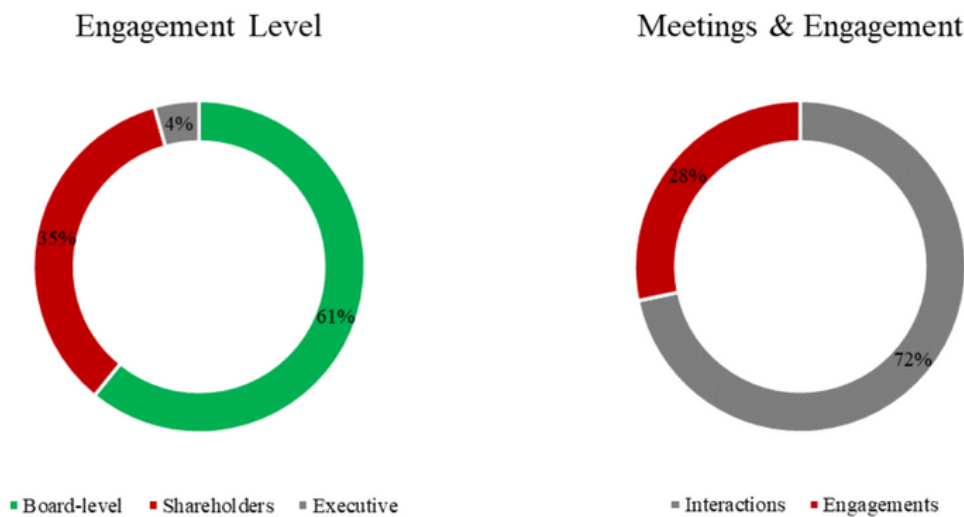
The introduction of SFDR has increased disclosure requirements but has not changed the integrated sustainable investment approach in the Fund’s investment process. We continue to view ESG screening and analysis of portfolio companies as an integral, complementary tool to the fundamental research that is undertaken to understand, with a high level of conviction, a company’s risks, earnings and growth potential.

Enviromental, Social and Governance (ESG) Report (Continued)

For the period ended 31 May 2023

Company Level Engagement

As part of our commitment to transparency, accuracy, and continuous improvements, we have revised our engagement metrics and definitions at the beginning of this year. Our previous engagement metrics served us well, but this was reported at a firm level rather than at a portfolio level. We have also adapted how we define engagements to be more focussed on those proactive interactions with investee companies where the primary aim is to pursue objectives predefined by the ESG Committee. This is important in distinguishing between meetings with companies where the topic of ESG is discussed and we may have input and offer guidance, but it is not the primary, predefined objective of the interaction. Our changes provide a more precise reflection of how we are engaging with companies.



Source: Slater Investments

In January 2023, Serco Group plc ("Serco") provided an update to some of its largest shareholders outlining how the company's Approved Remuneration Policy would be implemented over the course of 2023. Members of the ESG Committee met with both the Chairman of the Remuneration Committee and the Chairman of the Board to discuss the Policy. The main focus of this meeting, from our perspective, was to discuss our opposition to nil-cost options. We felt it important to communicate to the company that we will oppose any Remuneration Policy which features this type of stock option. They understood Slater Investments's view and expressed an intention to consider alternatives to nil-cost options for their new Remuneration Policy due in 2024.

Additionally, there was a discussion of the various performance metrics used to determine the level of long-term incentive plan ("LTIP") awards. Slater Investments believes it is appropriate that a LTIP award is based on long term performance metrics aligning executives with shareholders, and they should be distinct from the more day to-day or annual responsibilities, which are more appropriately covered by salary and annual bonus awards. The appropriateness of any LTIP performance metric will vary from company to company. It was important for Slater Investments to understand the rationale behind the LTIP performance metrics Serco had chosen.

Enviromental, Social and Governance (ESG) Report (Continued)

For the period ended 31 May 2023

Although we outlined changes we would prefer to see, we were broadly satisfied with the company's rationale behind its chosen performance metrics. These discussions were positive, and we will engage with the company later this year in respect of their new Remuneration Policy. We, therefore, consider this engagement to be ongoing.

In January 2023, Serco confirmed that it had distributed £9 million in one-off payments to all colleagues outside of management grade reflecting the pressure many people, especially the lower paid, were under at a time of high inflation. Slater Investments is supportive of such action and commends the board for this initiative.

We continue to engage with the Chair of the Audit & Risk Committee ("Chair") for all the companies where we hold material positions as part of our thematic engagement. Our intention was to examine each investee company's risks to understand how they are discussed at the Board level and how much time the Board spends reviewing these risks.

Forming part of this thematic engagement, in March 2023 we met with the chair of the Audit Committee at LBG Media Plc ("LBG"). LBG had recently listed and was not part of the list of companies we initially engaged with. We discussed with them building up the internal controls function for the company. Slater Investments is pleased with the board's progress and will continue to monitor the board's development closely.

In January 2023 we met the chair of the Audit Committee at Trifast Plc ("Trifast"). We discussed the Board's interest in ESG as the CEO is head of ESG and the company is working on a net zero plan which will be presented at the end of this financial year. The company is already reporting in line with the Task Force on Climate-Related Financial Disclosures ("TCFD") and is working with the Carbon Disclosure Project. We also discussed the recent appointment of a new CFO at the company and feel that the new CFO's skillset is aligned with Trifast's strategy moving forward.

Following on from this meeting, in March 2023 we met with Trifast's Senior Independent Non-Executive Director, Clive Watson, and the Company Secretary, Christopher Morgan. The company suffered a significant share price drop following a trading update and Directorate Change notification in February 2023 which announced the CEO's resignation with immediate effect, significant destocking from key Asian customers, and elevated net debt levels which were likely to result in higher net interest charges for the year than previously expected.

Our most immediate concern was how the company would navigate the stepping down of the CEO, which was the primary focus of the engagement, with the objective being to understand the Board's plan. The company expanded on already published information that with immediate effect Scott Mac Meekin had relinquished his NED responsibilities and assumed the role of interim CEO.

During the meeting, we also raised concerns about the effectiveness of the Chairman at monitoring the dynamic between the previous CEO and CFO. We had identified some areas where we felt there was unease about the strategic decision making between these two individuals. We felt that the Chairman should have been more cognisant, and proactive in managing this dynamic. Overall, we are satisfied that the new interim CEO is a strong appointment.

Enviromental, Social and Governance (ESG) Report (Continued)

For the period ended 31 May 2023

In March 2023, we met with the Chairman of STV Plc (“STV”) to discuss the directors’ remuneration policy and the liability-driven investing (“LDI”) strategy being employed in the company’s Defined Benefit pension fund. We had previously met with the company’s HR & Communications Director in September 2022 to discuss our stance on the directors’ remuneration policy. At STV’s previous two Annual General Meetings, Slater Investments voted against the company’s remuneration policy due to the use of nil-cost options. To our disappointment, the Board continues to propose the use of nil-cost options. We had also been pushing STV to engage the pension trustees to abandon LDI since 2020 and significantly increased the pressure in 2021. The company and trustees, unfortunately, maintained their LDI strategy at great cost to shareholders. In late 2022, in the wake of the Truss Budget, we met with the Chief Financial Officer to assess the damage. The company eventually provided a detailed response to our questions about LDI exposure. It clarified, for the first time, that LDI was being carried out by a segregated account rather than via a fund, which we had been told up until that moment. The situation is highly unsatisfactory. Although we have heard the excuse that “everyone else was doing it” too often, at least the board now has a more complete understanding of its pension fund exposures. The chair had the decency to “take full responsibility” although it is not yet clear what this means. While the executive team has done a superb job managing the business, the handling of pension exposures has undermined their achievements. We remain convinced that the board would benefit from a new member who would not be blinded by actuarial science and would insist on only agreeing to risks being taken that they fully understand.

Alliance Pharma (“Alliance”) has been an ongoing engagement since late 2022. We initiated the engagement in December 2022 sending a letter to, the then, Chair of the Board raising concerns about the Board’s composition and outlined instances where we felt they had displayed shortcomings. Our objective was to engage with them to ensure the Board had the necessary expertise and experience to adequately address the prevailing challenges facing the company.

This was followed by two calls with members of the Board in January and February 2023 where we outlined our position. We felt that whilst the company has a very strong product offering there had been evidence of shortcomings which we were keen for the Board to address and we wanted to understand the Board’s thinking. Prior to our call in February 2023, the company had announced two changes to the Board which we felt were a missed opportunity to address some of the challenges we had previously raised. This is an ongoing engagement which we will report on moving forward.

Slater Investments has continued engaging with companies on their ESG disclosure responsibilities. As reporting disclosure responsibilities on Slater Investments’s investee companies continue to grow, Slater Investments continues to play a positive role in guiding companies as to what aspects of ESG are material to their businesses. Throughout the year, Slater Investments has engaged with Polar Capital Holdings plc and Liontrust Asset Management PLC on ESG disclosure reporting. Engagement with these and other investee companies is viewed as an ongoing measure that can help these companies stay informed and adapt to changes in the ESG reporting landscape.

We have always maintained, when talking to companies we own, their work in the wider ESG space is a journey and not something that can be ticked off overnight. However, the companies are demonstrating progress along this journey, and we have seen improvements from investee companies.

Enviromental, Social and Governance (ESG) Report (Continued)

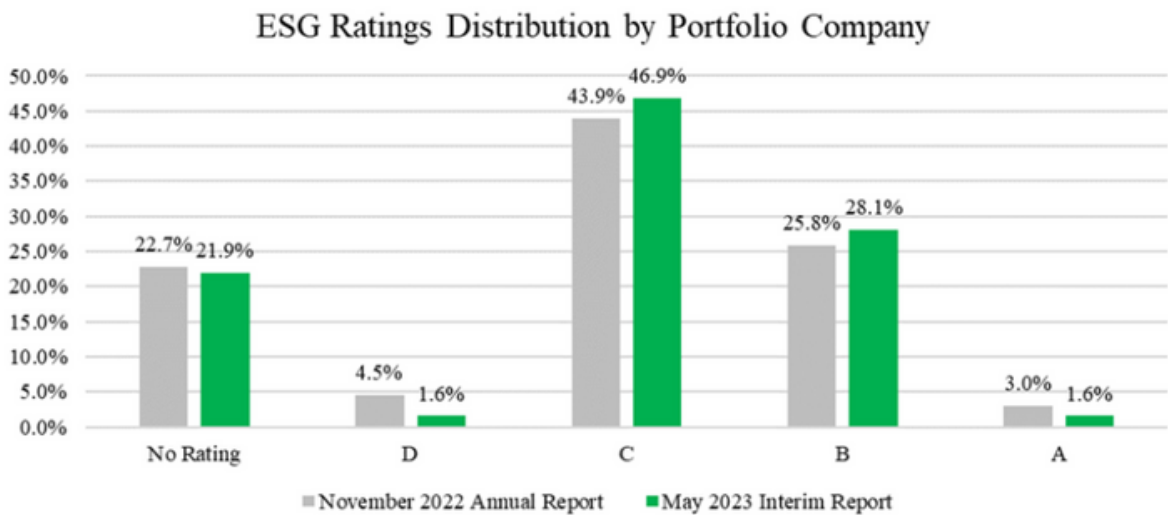
For the period ended 31 May 2023

ESG Scoring

The largest problem facing quantitative ESG ratings is the lack of accurate data. The majority of Slater Investments’s investment universe is made up of small to mid-market capitalisation companies where the availability of ESG data is even more limited. The ESG Committee has helped ESG rating providers understand the nuances of collecting this information. Alongside this, the ESG Committee has assisted investee companies in understanding how to engage with ESG rating providers.

A company’s ESG rating can present a material risk and is one Slater Investments continues to monitor closely. The information generated by Refinitiv, Slater Investments’s ESG ratings provider, is only the starting point for Slater Investments’s score and disclosure-related engagement with investee companies. The Company takes these ratings and then carries out its own analysis to understand if there is a shortfall in the underlying data and/or score, why this is the case and if that shortfall is one of disclosure or whether it presents a risk to the rating of the company.

When calculating an ESG rating, Slater Investments uses an aggregate score that includes controversies, which are defined as information that is not reported and may indicate potential ESG risks. These controversies could include toxic waste spills (environmental), human rights violations (social), or inadequate internal controls (governance). The controversies are incorporated in the ESG score by assigning a negative score to affected companies, which is based on the severity and nature of the controversy and the companies’ responses to these issues. This provides investors with a more comprehensive view of a company's ESG performance, as controversies can have a significant impact on a company's reputation and financial performance.



Source: Refinitiv & Slater Investments

The chart above illustrates the distribution of the ESG rating of the Slater Recovery Fund’s portfolio companies as of 31st May 2023. ‘D’ rated companies are in the fourth quartile, indicating poor relative ESG performance and insufficient transparency in reporting material ESG data. ‘C’ rated companies are in the third quartile, with satisfactory relative ESG performance and a moderate degree of material ESG data reporting.

Enviromental, Social and Governance (ESG) Report (Continued)

For the period ended 31 May 2023

Companies rated 'B' are in the second quartile and demonstrate good relative ESG performance and have above average transparency in reporting material ESG data. 'A' rated companies are in the first quartile, which indicates excellent relative ESG performance and a high degree of material ESG data reporting and transparency.

Based on the chart above, there have been some changes in the ESG ratings of the companies between the November 2022 Annual Report and the May 2023 Interim Report.

In terms of entities with no rating, the percentage decreased slightly from 22.7% in November 2022 to 21.9% in May 2023, indicating that a smaller proportion of entities lacked an ESG rating during the interim period. This may be due in part to the growing awareness among investors and consumers about the impact of companies on the environment and society, resulting in the demand for greater transparency from companies. Companies are also facing regulatory pressure as governments and regulators are putting pressure on companies to disclose ESG data points.

The percentage of entities with a D rating decreased significantly from 4.5% in November 2022 to 1.6% in May 2023, suggesting an improvement in the ESG performance of these entities.

The proportion of entities with a C rating increased slightly from 43.9% in November 2022 to 46.9% in May 2023, indicating that a larger portion of entities fell into the average or moderate ESG risk category during the interim period.

Entities with a B rating increased from 25.8% in November 2022 to 28.1% in May 2023, suggesting an improvement in their ESG performance or practices.

The percentage of entities with an A rating had a slight decrease from 3.0% to 1.6%.

The ESG Committee continues to engage with companies regarding their ESG ratings and has stressed in investee company meetings that time needs to be spent on ensuring published ESG data is accurate. With more portfolio companies increasing and improving their disclosure, coupled with engagement with ESG data providers, their scores will continue to improve.

Small and mid-capitalised companies are currently overlooked, and therefore punished, because ESG ratings agencies are generally focused on larger market capitalisation companies. This is the driving factor in the number of Slater Investments's investee companies currently not being rated although there has been an improvement over the period.

Enviromental, Social and Governance (ESG) Report (Continued)

For the period ended 31 May 2023

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The percentage of entities with an A rating had a slight decrease from 3.0% to 1.6%.

The ESG Committee continues to engage with companies regarding their ESG ratings and has stressed in investee company meetings that time needs to be spent on ensuring published ESG data is accurate. With more portfolio companies increasing and improving their disclosure, coupled with engagement with ESG data providers, their scores will continue to improve.

Small and mid-capitalised companies are currently overlooked, and therefore punished, because ESG ratings agencies are generally focused on larger market capitalisation companies. This is the driving factor in the number of Slater Investments's investee companies currently not being rated although there has been an improvement over the period.

Fund Information

Price and distribution record

Financial year to	Highest price	Lowest price	Net income per unit
<u>Class A Accumulation</u>			
30 November 2020	297.63p	194.80p	-
30 November 2021	411.18p	297.72p	-
30 November 2022	417.12p	314.28p	-
30 November 2023*	356.26p	313.34p	1.3726p
<u>Class B Accumulation</u>			
30 November 2020	310.15p	202.32p	-
30 November 2021	430.06p	310.31p	0.1651p
30 November 2022	436.99p	330.60p	1.5935p
30 November 2023*	375.34p	330.61p	2.2912p
<u>Class P Accumulation</u>			
30 November 2020	316.38p	206.00p	1.3780p
30 November 2021	439.62p	316.58p	0.7421p
30 November 2022	447.09p	338.87p	2.5836p
30 November 2023*	385.01p	339.45p	2.8546p

*six month period to 31 May 2023

Number of units in issue/Net asset value per unit

	Net asset value of scheme property	Number of units in issue	Net asset value per unit
<u>Class A Accumulation</u>			
30 November 2020	£6,269,809	2,139,037	293.11p
30 November 2021	£12,862,020	3,279,450	392.20p
30 November 2022	£10,952,591	3,299,044	331.99p
31 May 2023	£9,949,720	3,202,010	310.73p
<u>Class B Accumulation</u>			
30 November 2020	£3,615,409	1,183,579	305.46p
30 November 2021	£5,886,824	1,433,326	410.71p
30 November 2022	£7,365,145	2,107,598	349.46p
31 May 2023	£4,578,547	1,396,506	327.86p
<u>Class P Accumulation</u>			
30 November 2020	£113,484,105	36,418,279	311.61p
30 November 2021	£382,304,574	91,006,034	420.09p
30 November 2022	£426,000,074	118,892,038	358.31p
31 May 2023	£369,494,040	109,762,736	336.63p

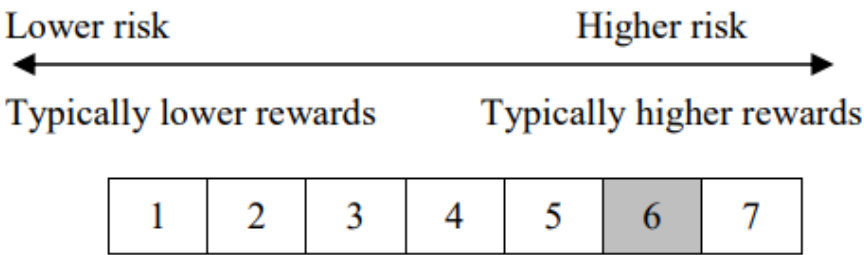
Fund Information (Continuation)

Ongoing charges	Class A Accumulation	Class B Accumulation	Class P Accumulation
30 November 2022	1.54%	1.03%	0.78%
31 May 2023	1.55%	1.07%	0.80%

The ongoing charge figure is based on the annualised expenses for the period. This figure may vary from period to period. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment scheme.

Synthetic risk and reward indicator



The risk and reward indicator above aims to provide you with an indication of the overall risk and reward profile of the Fund. It is calculated based on the volatility of the Fund using weekly historic returns over the last five years. If five years data is not available for a fund, the returns of a representative portfolio are used. This Fund has been measured as 6 because share class A has experienced high volatility historically. For further information refer to the Key Investor Information Documents (KIID) of the individual share class.

Fund Information (Continuation)

Portfolio statement as at 31 May 20223

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '23 %	30 Nov '22 %
	ADVERTISING			
1,603,501	Next Fifteen Communications	11,914,012	3.10	3.77
	Total Advertising	11,914,012	3.10	3.77
	AGRICULTURAL PRODUCTS			
1,653,028	Genagro	40,138	0.01	0.00
	Total Agricultural Products	40,138	0.01	0.00
	APPLICATION SOFTWARE			
1,387,595	dotDigital	1,230,797	0.32	0.30
	Total Application Software	1,230,797	0.32	0.30
	ASSET MANAGEMENT & CUSTODY BANKS			
200,000	Brooks Macdonald	3,740,000	0.97	
7,188	City of London Investment Group	31,483	0.01	
2,554,001	Foresight	10,343,704	2.69	
948,517	JTC	6,606,421	1.72	
432,697	Liontrust Asset Management	3,262,535	0.85	
2,540,000	Premier Miton	2,032,000	0.53	
306,371	Rathbones	6,109,038	1.59	
	Total Asset Management & Custody Banks	32,125,181	8.36	7.63
	BROADCASTING			
3,478,991	STV	8,558,318	2.23	
	Total Broadcasting	8,558,318	2.23	2.01
	BUILDING PRODUCTS			
1,357,920	Eneraqua Technologies	2,104,776	0.55	
	Total Building Products	2,104,776	0.55	0.95
	CASINOS & GAMING			
110,051	Best of the Best	605,281	0.16	
	Total Casinos & Gaming	605,281	0.16	0.10
	CONSTRUCTION & ENGINEERING			
13,567	Renew Holdings	97,004	0.03	
	Total Construction & Engineering	97,004	0.03	0.02

Fund Information (Continuation)

Portfolio statement as at 31 May 2023

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '23 %	30 Nov '22 %
	CONSTRUCTION MATERIALS			
1,727,340	Breedon	5,985,234	1.57	
7,111,411	SigmaRoc	4,195,732	1.09	
	Total Construction Materials	10,180,966	2.66	2.06
	DISTRIBUTORS			
864,080	Supreme	846,798	0.22	
2,524,921	UP Global Sourcing	3,130,902	0.82	
	Total Distributors	3,977,700	1.04	1.02
	DIVERSIFIED SUPPORT SERVICES			
29,362,902	Inspired	3,376,734	0.88	
857,294	Restore	2,100,370	0.55	
6,606,738	Sureserve	8,159,321	2.12	
	Total Diversified Support Services	13,636,425	3.55	2.15
	ELECTRIC UTILITIES			
530,000	SSE	9,964,000	2.59	
	Total Electric Utilities	9,964,000	2.59	1.73
	ELECTRONIC COMPONENTS			
2,420,000	TT Electronics	3,896,200	1.01	
	Total Electronic Components	3,896,200	1.01	0.91
	ENVIRONMENTAL & FACILITIES SERVICES			
17,122,777	Serco	24,451,326	6.37	
	Total Environmental & Facilities Services	24,451,326	6.37	6.59
	FOOD RETAIL			
6,415,000	Tesco	16,730,320	4.36	
	Total Food Retail	16,730,320	4.36	3.28
	HEALTH CARE FACILITIES			
121,087	CVS	2,523,453	0.66	
	Total Health Care Facilities	2,523,453	0.66	0.55
	HEALTH CARE TECHNOLOGY			
730,085	Instem	4,526,527	1.18	
	Total Health Care Technology	4,526,527	1.18	0.58
	HOMEBUILDING			
954,667	MJ Gleeson	4,038,241	1.05	
	Total Homebuilding	4,038,241	1.05	0.77
	INDUSTRIAL MACHINERY & SUPPLIES & COMPONENTS			
5,221,239	Trifast	3,707,080	0.97	
	Total Industrial Machinery & Supplies & Components	3,707,080	0.97	0.57

Fund Information (Continuation)

Portfolio statement as at 31 May 2023

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '23 %	30 Nov '22 %
INTERACTIVE HOME ENTERTAINMENT				
3,765,091	Devolver Digital	1,054,225	0.27	
560,000	tinyBuild	257,600	0.07	
	Total Interactive Home Entertainment	1,311,825	0.34	0.69
INTERNET SERVICES & INFRASTRUCTURE				
11,432,272	CentralNic	12,849,874	3.35	
236,605	Iomart	363,425	0.09	
	Total Internet Services & Infrastructure	13,213,299	3.44	3.38
INVESTMENT BANKING & BROKERAGE				
3,573,214	FRP Advisory	3,894,803	1.01	
	Total Investment Banking & Brokerage	3,894,803	1.01	1.32
IT CONSULTING & OTHER SERVICES				
1,417,886	Converge Technology Solutions	3,112,535	0.81	
486,783	Kin and Carta	301,319	0.08	
3,987,772	NCC	3,624,885	0.94	
2,836,533	Redcentric	3,616,580	0.94	
	Total IT Consulting & Other Services	10,655,319	2.77	8.00
LEISURE FACILITIES				
2,712,394	Hollywood Bowl	7,418,398	1.93	
1,338,782	Ten Entertainment	3,695,038	0.96	
	Total Leisure Facilities	11,113,436	2.89	2.02
LIFE & HEALTH INSURANCE				
1,430,000	Prudential	15,100,800	3.93	
	Total Life & Health Insurance	15,100,800	3.93	3.15
LIFE SCIENCES TOOLS & SERVICES				
300,000	Ergomed	3,042,000	0.79	
	Total Life Sciences Tools & Services	3,042,000	0.79	0.89
MOVIES & ENTERTAINMENT				
1,533,392	LBG Media	1,475,123	0.38	
	Total Movies & Entertainment	1,475,123	0.38	0.20

Fund Information (Continuation)

Portfolio statement

as at 31 May 2023

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '23 %	30 Nov '22 %
	OIL & GAS EXPLORATION & PRODUCTION			
45,452,207	i3 Energy	8,063,222	2.10	
	Total Oil & Gas Exploration & Production	8,063,222	2.10	2.22
	PERSONAL CARE PRODUCTS			
4,383,822	Venture Life	1,622,014	0.42	
	Total Personal Care Products	1,622,014	0.42	0.26
	PHARMACEUTICALS			
10,144,944	Alliance Pharma	6,228,996	1.62	
266,780	Hutchmed (China)	515,419	0.13	
85,395	Hutchmed (China) ADR	829,413	0.22	
	Total Pharmaceuticals	7,573,828	1.97	1.41
	PRECIOUS METALS & MINERALS			
52,895,000	Jubilee Metals	3,702,650	0.96	
	Total Precious Metals & Minerals	3,702,650	0.96	1.36
	PUBLISHING			
1,449,999	Future	10,468,993	2.74	
4,243,125	Reach	3,067,779	0.80	
	Total Publishing	13,536,772	3.54	5.64
	REAL ESTATE OPERATING COMPANIES			
925,135	IWG	1,343,296	0.35	
	Total Real Estate Operating Companies	1,343,296	0.35	0.33
	REINSURANCE			
10,519,346	R&Q Insurance Holdings	5,259,673	1.37	
	Total Reinsurance	5,259,673	1.37	1.48
	RESEARCH & CONSULTING SERVICES			
5,674,084	Begbies Traynor	6,865,642	1.80	
776,773	Elixirr International	3,666,369	0.95	
2,092,491	Fintel	4,101,282	1.07	
1,044,221	Marlowe	5,346,412	1.39	
	Total Research & Consulting Services	19,979,705	5.21	4.71

Fund Information (Continuation)

Portfolio statement as at 31 May 2023

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '23 %	30 Nov '22 %
RESTAURANTS				
2,543,188	Loungers	4,832,057	1.26	
616,000	Marston's	194,656	0.05	
	Total Restaurants	5,026,713	1.31	0.76
SPECIALIZED CONSUMER SERVICES				
8,985,420	Franchise Brands	15,904,193	4.14	
	Total Specialized Consumer Services	15,904,193	4.14	2.55
STEEL				
3,055,463	Ecora Resources	3,354,898	0.87	
	Total Steel	3,354,898	0.87	0.69
TRADING COMPANIES & DISTRIBUTORS				
550,454	Avation	693,572	0.18	
730,000	Flowtech Fluidpower	770,150	0.20	
6,171,518	Lords Group Trading	4,011,487	1.04	
	Total Trading Companies & Distributors	5,475,209	1.42	1.35
TRANSACTION & PAYMENT PROCESSING SERVICES				
1,166,667	Fonix Mobile	2,391,667	0.62	
	Total Transaction & Payment Processing Services	2,391,667	0.62	0.51
	Portfolio of investments	307,348,190	80.03	77.91
	Net current assets	76,674,117	19.97	22.09
	Net assets	384,022,307	100	100

Fund Information (Continuation)

Portfolio transactions for the six months ended 31 May 2023

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at the respective markets close at 31 May 2023, being the last valuation point of the period. Market value is defined by the SORP as fair value which is generally the bid value of each security. Where applicable, investments are valued to exclude accrued income. Where a stock is unlisted or where there is an illiquid market, a valuation for this stock has been obtained from market makers where possible while suspended stocks are normally valued at their suspension price. However, where the AFM believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the AFM reflects a fair and reasonable price for that investment.

	£
Total purchases, including transaction charges	14,124,680
Total sales proceeds, net of transaction charges	24,351,649

Interim Financial Statements (Unaudited)

For the six months ended 31 May 2023

Statement of total return

	31 May 2023		31 May 2022	
	£	£	£	£
Income				
Net capital losses		(28,594,249)		(31,377,317)
Revenue	5,105,243		2,868,028	
Expenses	(1,787,806)		(1,875,915)	
Net revenue before taxation	3,317,437		992,113	
Taxation	-		-	
Net revenue after taxation		3,317,437		992,113
Total deficit before distributions		(25,276,812)		(30,385,204)
Distributions		(3,315,163)		(1,015,626)
Change in net assets attributable to unitholders from investment activities		(28,591,975)		(31,400,830)

Statement of changes in net assets attributable to unitholders

	31 May 2023		31 May 2022	
	£	£	£	£
Opening net assets attributable to unitholders		*444,317,810		^401,053,418
Amounts receivable on issue of units	18,154,786		155,800,322	
Amounts payable on cancellation of units	(53,154,340)		(7,274,142)	
Amounts receivable/(payable) on unit class conversions	-		1,185	
Dilution adjustments	81,983		254,215	
		(34,917,571)		148,781,580
Change in net assets attributable to unitholders from investment activities		(28,591,975)		(31,400,830)
Retained distributions on accumulation units		3,214,043		1,043,776
Closing net assets attributable to unitholders		384,022,307		519,477,944

*As at 30 November 2022

^ As at 30 November 2021

Interim Financial Statements (Unaudited) (Continued)

For the six months ended 31 May 2023

Balance sheet

	31 May 2023		30 November 2022	
	£	£	£	£
ASSETS				
Fixed Assets				
Investments		307,348,190		346,161,874
Current Assets				
Debtors	1,629,225		1,182,360	
Cash	<u>76,183,923</u>		<u>97,576,653</u>	
Total current assets		<u>77,813,148</u>		<u>98,759,013</u>
Total assets		<u>385,161,338</u>		<u>444,920,887</u>
LIABILITIES				
Current liabilities				
Creditors	<u>1,139,031</u>		<u>603,077</u>	
Total liabilities		<u>1,139,031</u>		<u>603,077</u>
Net assets attributable to unitholders		<u>384,022,307</u>		<u>444,317,810</u>

Notes to the interim financial statements

Basis of preparation

The financial statements have been prepared in compliance with FRS102 and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014.

The financial statements are prepared in sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2022 and are described in those annual financial statements.

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promoted E/S characteristics but did not make any sustainable investments

Appendix

How did the sustainability indicators perform?

Sustainability Indicators	Details	Metric
Companies which have set or committed to Science Based Target % of AUM, excluding cash	Has the company set targets or objectives to be achieved on emission reduction?	60%
UN Global Compact/Norms breach assessment	Does the company violate any of the UN Global Compact Ten Principles	4*
Portfolio Weighted Average Refinitiv ESG Rating excluding cash		50.0(B-)

* Although four companies violated at least one of the UN Global Compact Ten Principles, these violations did not pose a significant financial risk to the respective companies. However, such violations have resulted in unnecessary reputational harm. Slater Investments continues to monitor these companies.

- **And compared to previous periods.**

There were no previous periods. This is the first period the Fund is reporting.

- **What were the objectives of the sustainable investments that the financial product partially made, and how did the sustainable investment contribute to such objectives?**

The Investment Manager does not currently classify any investment as sustainable investments.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable – see above.

How did this financial product consider principal adverse impacts (“PAIs”) on sustainability factors?

Slater Investments considers PAIs on sustainability factors on behalf of the Fund by:

- monitoring the PAIs across the Fund on a quarterly basis. This monitoring data is presented and discussed in Slater Investments’s ESG Committee
- incorporating PAI data into engagement with investee companies
- evaluating PAIs of new investment in the Fund as part of wider ESG research of companies

Appendix

Indicators applicable to investments in investee companies			
Adverse sustainability indicator		Metric	Impact 2023
Climate and other environment-related indicators			
Greenhouse gas emissions (GHG)	GHG Emissions	GHG Emissions - Scope 1 (Tonnes)	7,481.7 Tonnes
		GHG Emissions - Scope 2 (Tonnes)	677.9 Tonnes
		GHG Emissions - TOTAL (incl estimates)	8,159.5 Tonnes
		GHG Emissions - Scope 3 (Tonnes)	3,620.4 Tonnes
	Carbon Footprint	Carbon Footprint	5.2 tCO ₂ e/£M
	GHG Intensity of Investee Companies	GHG intensity of investee companies	5.7 tCO ₂ e/£M
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	2.1%
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	1.2%
	Energy consumption intensity per high impact climate sector	Energy consumption in gigawatt hours (GWh) per £million of revenue of investee companies, per high impact climate sector	17.6 GWh/£M
Biodiversity	Activities negatively affecting biodiversity areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	9.6%
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per £million invested, expressed as a weighted average.	0.0 Tonnes/£M
Waste	Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per £million invested, expressed as a weighted average	0.0 Tonnes/£M

Appendix

Social and employee, respect for human rights, anti-corruption and anti-bribery matters			
Social and Employee matters	Violations of UN Global Compact (UNGC) principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	1.3%
	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	99.2%
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	13.0%
	Board gender diversity	Average ratio of female to male board members in investee companies	12.8%
	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%
Other Environmental Matters			
Emissions	Emissions of ozone depletion substances	Tonnes of inorganic pollutants equivalent per £million invested, expressed as a weighted average	0.0 Tonnes/£M
	Emissions of inorganic pollutants	Tonnes of air pollutants equivalent per £million invested, expressed as a weighted average	0.0 Tonnes/£M
	Investments in companies without carbon reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement.	40.3%
Water, waste and material emissions	Investments in producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	0%

Appendix

Other Social Matters			
Social and employee matters	Insufficient Whistle-blower Protection (%)	Share of investments in entities without policies on the protection of whistle-blowers	61.5%
	Lack of a supplier code of conduct (%)	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	86.8%
Human rights	Lack of Human Rights Policy (%)	Share of investments in entities without a human rights policy	53.4%
	Lack of Anti-Corruption/Bribery Policy (%)	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the UN Convention against Corruption	68.6%

What were the top investments of this financial product?

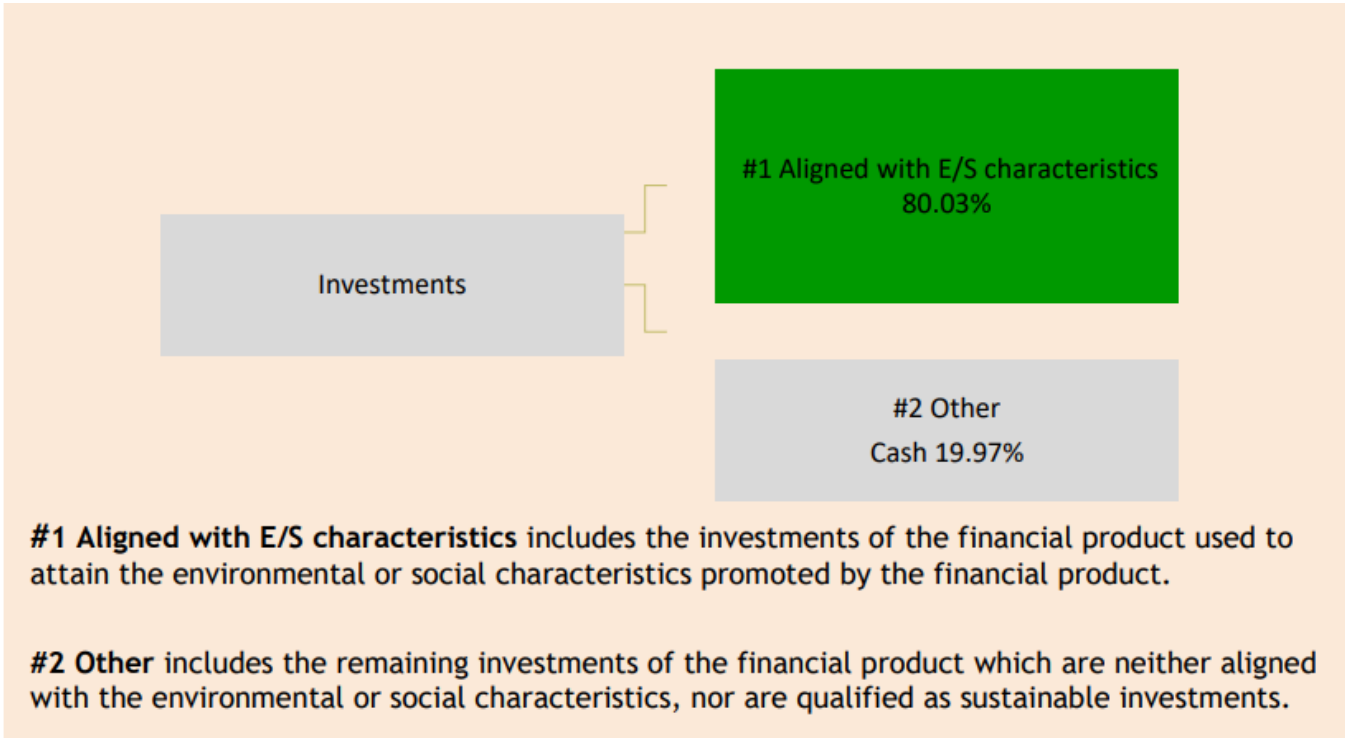
Largest Investments	Sub Industry	% Assets	Country
Serco Group PLC	Environmental & Facilities Services	6.4%	UK
Tesco PLC	Food Retail	4.4%	UK
Franchise Brands PLC	Specialized Consumer Services	4.2%	UK
Prudential PLC	Life & Health Insurance	3.9%	UK
CentralNic Group Plc	Internet Services & Infrastructure	3.3%	UK
Next 15 Group PLC	Advertising	3.1%	UK
Future PLC	Publishing	2.7%	UK
Foresight Group Holdings Ltd	Asset Management & Custody Banks	2.7%	UK
SSE PLC	Electric Utilities	2.6%	UK
STV Group PLC	Broadcasting	2.2%	UK
Sureserve Group PLC	Diversified Support Services	2.1%	UK
I3 Energy PLC	Oil & Gas Exploration & Production	2.1%	UK
Hollywood Bowl Group PLC	Leisure Facilities	1.9%	UK
Begbies Traynor Group PLC	Research & Consulting Services	1.8%	UK
JTC PLC	Asset Management & Custody Banks	1.7%	Jersey

Source: Slater Investments

Appendix

What was the proportion of sustainability-related investments?

- What was the asset allocation?



- In which economic sector were the investments made?

Investments are made in various economic sectors. The top five sub-industry as of 31st May 2023 are shown in the table below:

Sub Industry	% Assets
Asset Management & Custody Banks	8.4%
Environmental & Facilities Services	6.4%
Research & Consulting Services	5.2%
Food Retail	4.4%
Specialized Consumer Services	4.2%

Source: Slater Investments

Appendix

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy**

Not applicable. The Fund does not commit to making a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy.

- **What was the share of investments made in transitional and enabling activities**

Not applicable. The Fund does not commit to making a minimum proportion of investments in transitional and enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods**

Not Applicable. There were no previous periods. This is the first period the Fund is reporting.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 100%. These investments may be aligned with the EU Taxonomy, but the Investment Manager is not currently in a position to specify the exact proportion of the financial product's underlying investments as calculated according to the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

What was the share of socially sustainable investments?

Not applicable. None of the investments are currently classified as socially sustainable investments.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Cash is included under “#2 Other”.

Appendix

What action has been taken to meet the environmental and/or social characteristics during the reference period

As mentioned in our response to “To what extent were the environmental and/or social characteristics promoted by this financial product met?”, the Fund promoted environmental and social characteristics during the reference period under review:

- ESG is integrated in the Investment Process
- Adherence to good governance

How did the financial product perform compared to the reference benchmark

No reference benchmark has been used for the Slater Recovery Fund for the purpose of attaining E/S characteristics.

- **How does the reference benchmark differ from a broad market index?**

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

Not applicable.

- **How did this financial product perform compared with the broad market index?**

Not applicable.

Slater Investments Limited



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