

The 7IM Assessment of Value

September 2026

Succeeding together

7iM

For funds with an accounting period ending on 31 May 2026.

7IM Investment Funds

7IM AAP Adventurous
7IM AAP Moderately
Adventurous
7IM AAP Balanced
7IM AAP Moderately Cautious
7IM AAP Cautious
7IM Adventurous
7IM Moderately Adventurous
7IM Balanced
7IM Moderately Cautious
7IM Responsible Balanced

7IM Opportunity Funds

7IM Real Return
7IM Pathbuilder 1
7IM Pathbuilder 2
7IM Pathbuilder 3
7IM Pathbuilder 4

7IM ICVC Funds
7IM Arden
7IM Mulgy
7IM Randolph Place Diversified

Contents

An introduction from our Chief Operating Officer (COO) and Chair of Authorised Corporate Director (ACD) Oversight Committee	03
A closer look at the AoV report	04
Assessment findings	05
Funds subject to ACD enhanced monitoring	08
Glossary of terms	09



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To return to the contents page, please click on this icon



An introduction from the Chair of the 7IM Authorised Corporate Director (ACD) Oversight Committee

Welcome to the seventh annual 7IM Assessment of Value report, which has a new streamlined look for 2026.

Our simplified report makes it easier to see how our funds are performing at a glance, providing a summary of their performance as we continue to work towards delivering good customer outcomes. We are pleased to see that multiple funds have improved from last year, and we are continuing to observe several of the 7IM Investment Funds and support their performance with enhanced monitoring.

But what hasn't changed is our commitment to delivering value with every one of our funds, and we aim to do this by balancing multiple factors. Each fund is different, with its own strategy and approach, as outlined in its prospectus. However, all 7IM funds share a long-term focus. This means we prioritise risk management, which helps us interpret short-term performance and avoid decisions like cutting costs or taking less risk that could actually increase long-term risks for investors.

The role of the Authorised Corporate Director (ACD) Oversight Committee, on which I sit as Chair, is to continuously oversee the fund operations and investment management activities. For the ACD, identifying areas that need improvement and then working through the steps to enhance value is just as important, if not more so, than the value assessment process itself.

To support this, the ACD Oversight Committee actively monitors the actions identified through this and prior value assessments, ensuring that improvements are made where necessary on behalf of our investors. This is a continuous process, which takes place throughout the year. This report shows the continued efforts of the ACD to provide more value to investors in our funds, including changes to portfolio management processes that, while short-term, have brought about an improving performance trajectory

across all funds as well, as in many cases, falling charges.

We hope this report offers meaningful insights into our performance and the steps we're taking to improve. As always, we welcome your feedback. If you have suggestions or see areas for improvement, please don't hesitate to contact us at information@7im.co.uk.



Liz Paradine, Chair of the ACD Oversight Committee and Chief Operating Officer, 7IM

A closer look at the AoV report

What is the AoV?

In 2019, our regulator the Financial Conduct Authority (FCA) introduced new rules as part of its Asset Management Market Study (AMMS) to ensure the asset management industry acted in investors' best interests. As part of these rules, all Authorised Fund Managers (AFMs) such as 7IM are required to carry out an annual assessment across their funds to determine whether they are delivering value for money to investors.

What is 7IM's approach to the AoV?

7IM's annual Assessment of Value involves teams from across 7IM, including Investment Product, Risk, Finance, Compliance, Legal and Operations to ensure that the conclusions we make are fair and impartial.

The findings of an initial assessment are presented to and discussed with the Authorised Fund Manager Board, who review and validate the conclusions drawn. The Board includes two Independent Non-Executive Directors who bring an external perspective and undertake a key role in providing independent oversight and challenging our approach to the assessment.

The seven 'pillars' of the AoV

The FCA has asked us to consider seven specific areas, or 'pillars' of the assessment, when reviewing our funds for the value they provide. They are as follows:



1. Quality of service – does the service we provide to investors in the fund meet expectations?



2. Performance – is the fund performing in line with its investment objectives and against any stated benchmark?



3. AFM costs – are the fees charged to the fund fair and proportionate to the benefits received by the investor?



4. Economies of scale – are we able to use our size and expertise to achieve additional cost savings in the fund for the benefit of the investor?



5. Comparable market rates – how does the fund compare with our competitors in the marketplace?



6. Comparable services – how do the fund's fees compare with other similar funds we manage?



7. Classes of units – are investors in the appropriate share class for the fund they hold?

Assessment findings

Fund	Overall Conclusion
7IM Investment Funds	
7IM AAP Adventurous	Provides value
7IM AAP Moderately Adventurous	Provides value
7IM AAP Balanced	Provides value
7IM AAP Moderately Cautious	Provides value
7IM AAP Cautious	Provides value (with enhanced monitoring by ACD)
7IM Adventurous	Provides value (with enhanced monitoring by ACD)
7IM Moderately Adventurous	Provides value (with enhanced monitoring by ACD)
7IM Balanced	Provides value (with enhanced monitoring by ACD)
7IM Moderately Cautious	Provides value (with enhanced monitoring by ACD)
7IM Responsible Balanced 	Provides value (with enhanced monitoring by ACD)



Improved from last year

Fund	Overall Conclusion
7IM Opportunity Funds	
7IM Real Return 	Provides value
7IM Pathbuilder 1	Provides value
7IM Pathbuilder 2	Provides value
7IM Pathbuilder 3	Provides value
7IM Pathbuilder 4	Provides value



Improved from last year

Fund	Overall Conclusion
7IM ICVC Funds	
7IM Arden 	Provides value
7IM Mulgy	Provides value
7IM Randolph Place Diversified	Provides value

 Improved from last year

Funds subject to ACD enhanced monitoring

Several of our funds have been rated as providing value alongside enhanced monitoring by the ACD. Below are further details on a selection of these funds.

7IM AAP Cautious

The fund continues to experience performance challenges over a 5-year period, as a result of holding lower equity content relative to its peers. However, the ACD believes that changes to 7IM's Tactical Asset Allocation process will be less of a drag on fund performance during periods of positive equity performance, while also protecting investors during instances of market volatility.

The fund has continued to see net outflows during the review period; in October 2025 the ACD capped the additional expenses (e.g. legal, audit and depositary) charged to the fund, to protect the interests of investors.

7IM Multi-Manager Funds (Adventurous, Moderately Adventurous, Balanced, Moderately Cautious).

The funds continue to experience performance challenges over a 5-year period, a consequence of 7IM's strategically diversified style, largely from Tactical Asset Allocation acting as a drag in a market environment where concentrated equity risk has rewarded investors. However, in the latter part of the period under review, the funds' diversified Strategic Asset Allocation has begun to improve their performance trajectory, which the ACD is confident will continue.

The funds are seen to be priced highly relative to their peer group; however the aforementioned changes made have brought about a reduction of between 0.03% to 0.09% to the funds' Ongoing Charge Figures (OCFs) on a rolling 12-month basis, with further reductions possible over the coming year.

7IM Responsible Balanced

The fund continues to experience performance challenges over a 5-year period – albeit consistent with the headwinds experienced by funds with an ESG focus – although over the last 12 months it has been on an improving trajectory. During the period under review, 7IM appointed Fidelity to take over as the sub-investment manager of the fund's equity portfolio, replacing Sarasin.

The fund is seen to be priced highly relative to their peer group; however during the period the ACD reduced its Annual Management Charge (AMC) by 0.10%; furthermore, as a result of the AMC reduction and the above-mentioned changes to the fund's portfolio, the total OCF has been reduced by 0.14% on a rolling 12-month basis, from 1.35% to 1.21% for the main C share class, with further reductions possible over the coming year.

Glossary of terms

Authorised Corporate Director (ACD)

Seven Investment Management LLP as the ACD is legally responsible for the day-to-day management of the fund and must ensure that the fund is managed within the applicable regulations, which includes the FCA's Assessment of Value requirements. 7IM has an ACD Oversight Committee, which includes an independent non-executive director, to oversee the fund operations and investment management activities continuously.

Assessment of Value

As a result of regulations, the FCA requires managers of UK funds to conduct an annual assessment to determine whether the fund charges provide value to investors or action is required in order for the charges to provide value.

Authorised Fund Manager (AFM)

The AFM is responsible for the overall management of the fund and invests money on behalf of clients. An authorised investment fund is one that is authorised and regulated by the UK financial regulator, the FCA. Please also see FCA definition.

Equities

Also known as shares or stocks, this represents a share in the ownership of a company.

Environmental, Social and Governance (ESG)

ESG is the consideration of environmental, social and governance factors alongside financial ones in the investment decision-making process. E, S, and G are the three key factors in assessing whether an investment is sustainable in the long run.

Financial Conduct Authority (FCA)

The conduct regulator for financial services firms and financial markets in the UK. It aims to make financial markets honest, competitive, and fair.

Ongoing Charges Figure (OCF)

This is the current annualised total charge to cover the cost of running the Fund. It includes directly attributable costs such as Transfer Agency cost, Fund Accounting fees and allocated costs to support functions such as Finance, Tax, Risk, Legal and Compliance.

Peer group

A group of funds that may be compared with one another, often for performance purposes. A peer group will usually be based on the fund's investment scope.

Share class

This is a way to differentiate between different types of shares. Within a fund, the different share classes may represent different ways of paying the investor the income from the fund, different fees and expenses or different base currencies. For example, a fund will often have an "accumulation" share class and an "income" share class. With the former, any income produced will be automatically reinvested back into the fund (more shares will be bought in the fund). With the income share class, income can either be received as a regular payment or reinvested. A fund may also have a 'clean' share class meaning no rebates are paid to platforms.

Tactical Asset Allocation (TAA)

An investment strategy that involves making shorter-term or tactical adjustments to a portfolio to maximise returns or hedge against risks.

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