

Wesleyan Quarterly Review

With Profits Fund

January 2022

A view from our in-house Investments Team

- ▶ 2021 was a strong year for equity returns, particularly in the US.
- ▶ We know that inflation is elevated and there will be a policy response from central banks during 2022.
- ▶ We still believe, that over the long-term, equities and property are best equipped to deliver competitive returns versus other major asset classes.
- ▶ Stock selection will be important, as elevated valuations in a number of countries make it more difficult to deliver returns – especially as gradual policy tightening takes place.
- ▶ Long-term fixed income asset returns look unattractive but they will still remain a ‘safe-haven’ in the event of geopolitical or virus-related uncertainty.

We're not just a trusted guardian of our investors' financial futures, we also help fulfil our desire to be part of a force for positive change in the world. When it comes to how and where we invest money sustainably, we focus on three key areas.



Reducing harm

Over the past six months we sold over **£40m**¹ of investments that failed to meet our 'Reducing Harm' requirements.

SOLD
£40m

Of that, **£15m** was sold from companies we believe aren't taking the threat of global warming seriously.

£15m

We do not have any exposure to companies that produce tobacco products.



Driving change

We are signatories of the **Principles for Responsible Investment** and **Climate Action 100+**, both of which encourage companies to reduce their environmental impact.



Over the 12 months to June 2021, we met with the management of well over **100** companies to encourage better business practices.

100

We also voted at over **500** company meetings, ensuring our voice as an investor was heard and encouraging sustainable behaviour.



Positive impact

We are a top 10 shareholder in **Home REIT**, the UK's first real estate investment trust tackling homelessness in the UK.



We have invested over **£25m**² into funds focused on sustainable energy production or infrastructure since the start of 2020.

£25m

We have over **£100m**² invested in companies contributing to social equality.

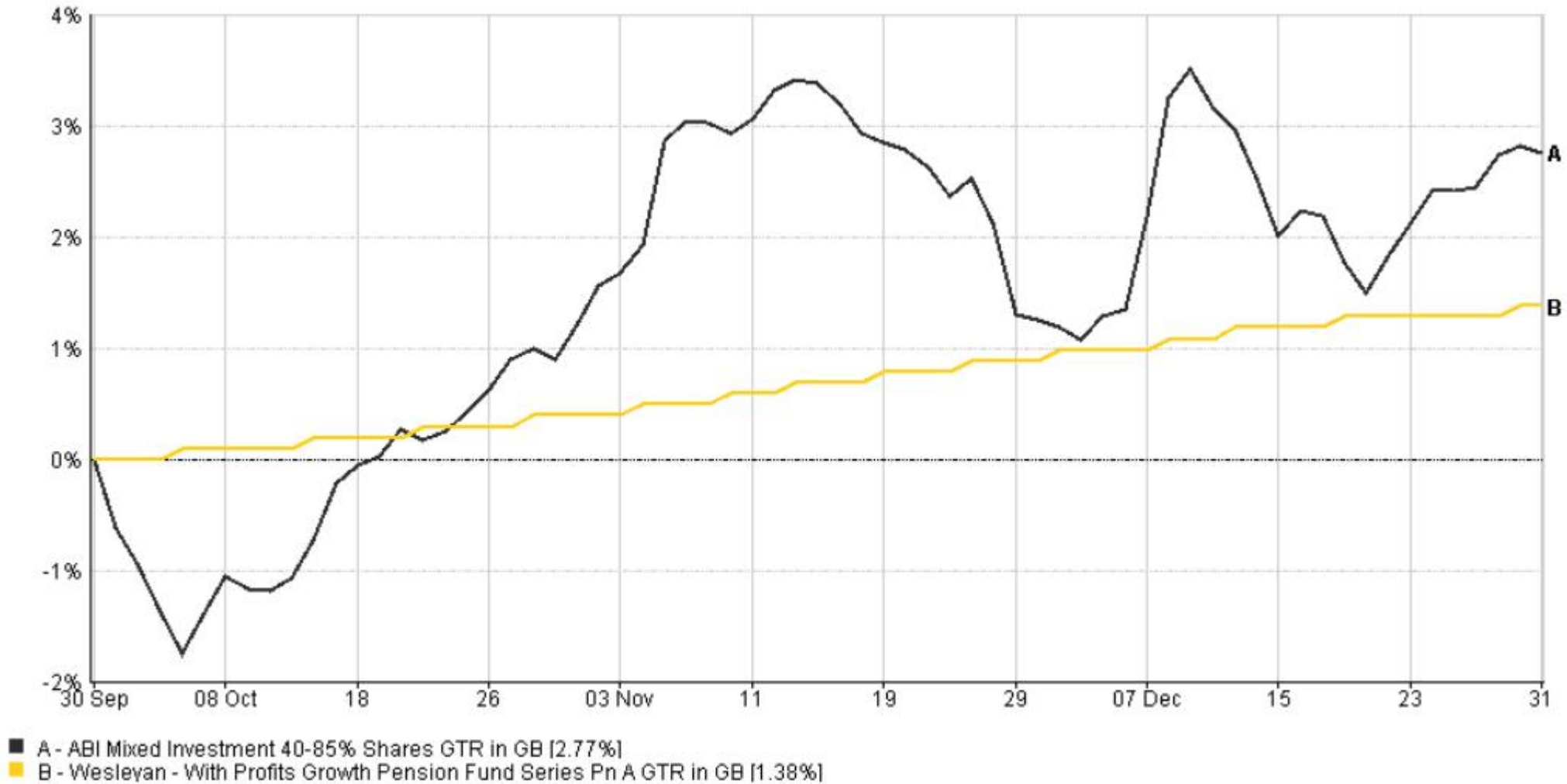


We have over **£350m**² invested in companies contributing to the advancement of medical health and the fight against diseases.

¹From April to September 2021. ²All figures and data as of 30 September 2021.

Performance: 3 Months Vs 40 to 85%

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



30/09/2021 - 31/12/2021 Data from FE fundinfo2022

Performance: 6 Months Vs 40 to 85%

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



- A - ABI Mixed Investment 40-85% Shares GTR in GB [4.09%]
- B - Wesleyan - With Profits Growth Pension Fund Series Pn A GTR in GB [2.60%]

30/06/2021 - 31/12/2021 Data from FE fundinfo2022

Performance: 12 Months Vs 40 to 85%

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling

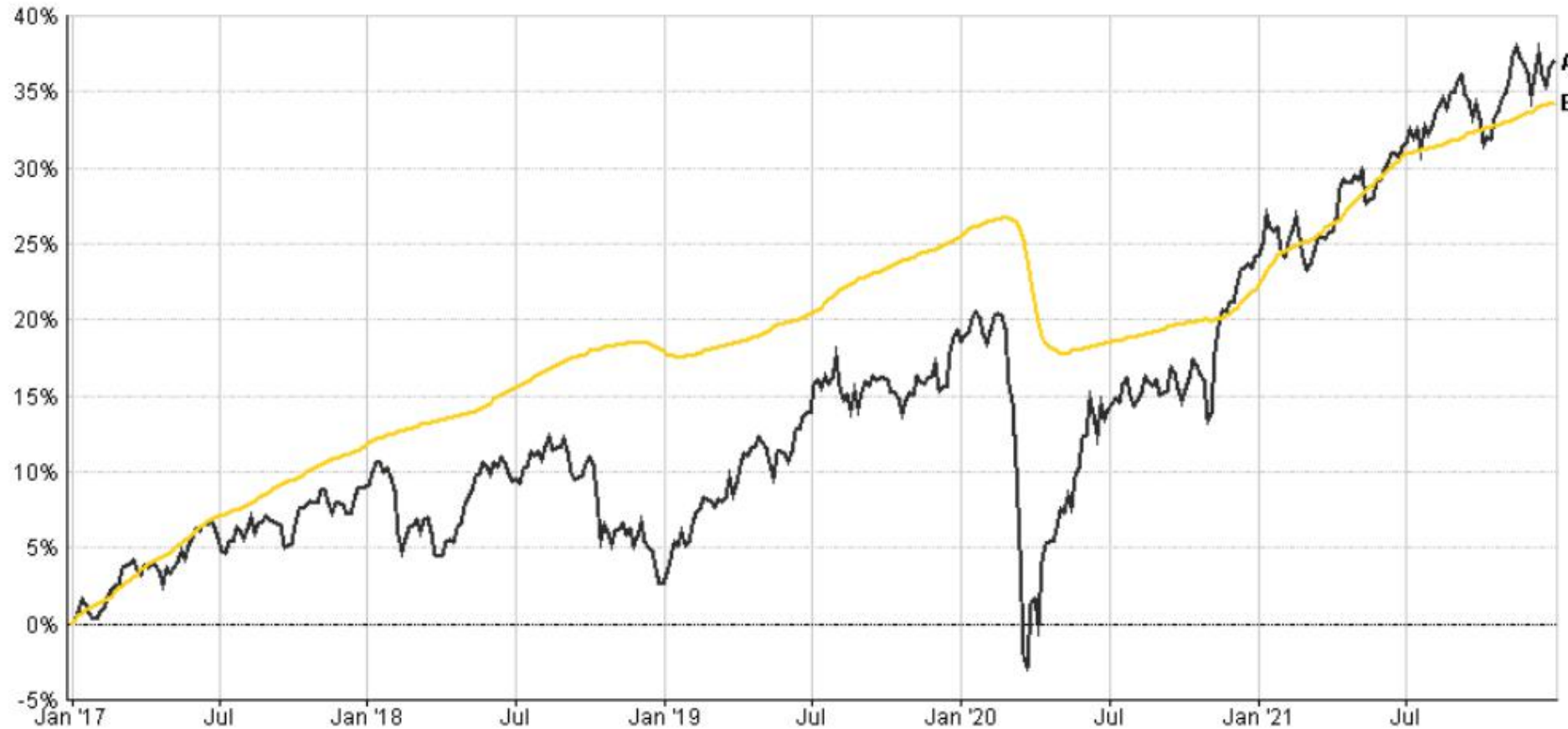


- A - ABI Mixed Investment 40-85% Shares GTR in GB [10.30%]
- B - Wesleyan - With Profits Growth Pension Fund Series Pn A GTR in GB [9.73%]

31/12/2020 - 31/12/2021 Data from FE fundinfo2022

Performance: 5 Years Vs 40 to 85%

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



■ A - ABI Mixed Investment 40-85% Shares GTR in GB [37.05%]
■ B - Wesleyan - With Profits Growth Pension Fund Series Pn A GTR in GB [34.29%]

30/12/2016 - 31/12/2021 Data from FE fundinfo2022

Performance: 10 Years Vs 40 to 85%

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



- A - ABI Mixed Investment 40-85% Shares GTR in GB [109.64%]
- B - Wesleyan - With Profits Growth Pension Fund Series Pn A GTR in GB [106.44%]

30/12/2011 - 31/12/2021 Data from FE fundinfo2022

'WESLEYAN' is a trading name of the Wesleyan Group of companies.

Wesleyan Assurance Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Incorporated in England and Wales by Private Act of Parliament (No. ZC145). Registered Office: Colmore Circus, Birmingham B4 6AR. Telephone: 0345 351 2352. Fax: 0121 200 2971. Calls may be recorded to help us provide, monitor and improve our services to you.

WESLEYAN

we are all about you