

2025
SUSTAINABILITY
REPORT

CAST
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ELD

THE THOUGHTFUL INVESTOR



John Eckersley
Founder & Chair

Whether we recognise it or not, we all bring our personal values to bear when making choices in life.

Castlefield adopts a progressive approach to looking after money, in turn reflecting the individual objectives and values of all kinds of clients - from investors in the investment funds we manage, to private individuals and their personal pensions, to the not-for-profit organisations they establish and help to run.

What sets us apart is that we work closely with clients to help them to understand and define what careful and ethical investment means to them. We then interpret the results in practical ways, which never ignore the need for real-world financial outcomes. Our dedicated team is committed to achieving dependable, long-term growth through independence and innovation, respect and responsibility.

As an employee-owned business, we make sure that everything we do reflects not only the values we share as co-owners of our own business, but the principles that are important to our clients too. All delivered via a service which is as personalised and accessible as each of our clients wants it to be.

That's why we're known as 'the thoughtful investor' ®

INTRODUCTION

FUND DETAILS

Authorised Corporate Director:

Thesis Unit Trust Management Limited

Investment Manager:

Castlefield Investment Partners

FCA Product Reference Number:

634406

Consumer Facing Document:

Available [here](#).

Investment label:

This product does not have a UK sustainable investment label.

Sustainable investment labels help investors find products that have a specific sustainability goal. This Fund has sustainability characteristics included as part of the investment approach but does not pursue a sustainability objective or any specific sustainability outcomes.

The Investment Manager provides values-based investment. As such, the investment approach adopted is broader than would be the case for a labelled fund.

WHAT'S THIS REPORT ABOUT?

This report provides information about the Fund's investment approach, and its performance in relation to Sustainability Metrics.

Key sections of this report:



Sustainability Approach

How the product invests in accordance with the investment policy and strategy on an ongoing basis. [Pages 4 to 5](#)



Sustainability Metrics

How the Fund performs in regards to Sustainability Metrics, and context around the performance, such as underlying trends, contributing factors and outliers. [Pages 6 to 15](#)



Stewardship Strategy

How the stewardship strategy has been applied, activities undertaken and outcomes achieved/expected to achieve. [Page 16](#)



Important Information

Further information relating to this fund, and information about the data used throughout the document. [Page 17](#)

SUSTAINABILITY APPROACH

ABOUT THE APPROACH

The fund is invested in line with our own '**Thoughtful Investor Approach**.' The flow chart to the right shows the stages of the approach.

The full investment approach can be found [here](#).

What the Fund will not invest in

The Fund will not invest in any company if more than 10% of revenues or profits come from: manufacture and distribution of **weapons** and related systems, **nuclear military** exposure, **nuclear power** generation, mis-marketing of **infant milk formula**, extraction or processing of **fossil fuels**, **production** and retailing of **fur products**, **animal testing** for cosmetics, manufacture and retailing of **alcohol**, **gambling**, **pornography**, **tobacco**, **high interest-rate lending**, **mining**.



Reject investments that do not meet [our screening policy](#).



Select investments with strong financial criteria.
(The 'B' of the B.E.S.T. Framework, explained on [page 5](#).)



Assess the Environmental, Social, Transparency & Governance credentials of potential investments against our criteria.
(The 'E.S.T.' of the B.E.S.T. Framework, explained on [page 5](#).)



Ensure that investments achieve our E.S.T. threshold i.e. at least 70% of the fund is invested in companies which achieve 50% or more of the E.S.T. criteria. (For further detail see [page 8](#).)

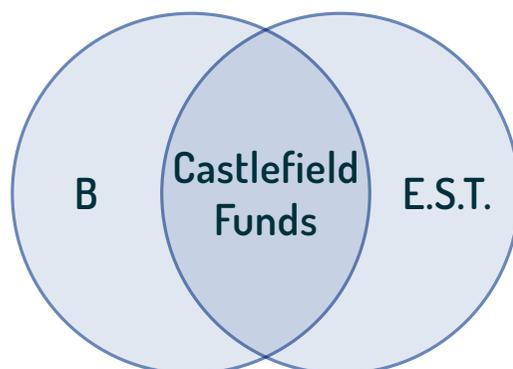


Actively engage with investments and vote on behalf of our clients.
(For further detail see [page 16](#))

SUSTAINABILITY APPROACH

THE B.E.S.T. FRAMEWORK

Alongside an assessment of financial credentials ('B'), the Investment Manager will assess each 'E.S.T.' component of the B.E.S.T. framework and report on the outcome relative to an index of similar investments.



B

Business & Financial:

- Assessment of investment's business and financial credentials.

E

Environmental:

- Company performance compared to peers on carbon, waste and fresh water use.
- Revenues from products or services that align with environmental United Nations Sustainable Development Goals.

S

Social:

- Company performance compared to peers on ratio of executive pay to average employee pay.
- Level of tax avoidance/controversies.
- Revenues from products or services that align with social United Nations Sustainable Development Goals.

T

Transparency & Governance:

- Assessment of board independence.
- Board diversity.
- The absence of bribery and corruption.

SUSTAINABILITY METRICS

THE SUSTAINABILITY METRICS

These 14 Sustainability Metrics (right) reflect the core values of the 'Thoughtful Investor'® approach. Independent consultants 'Impact Cubed' provide data on the Fund's performance, which can be assessed against a suitable benchmark, and used to monitor whether the Fund is achieving its values-led objective.

	Scope 1 & 2 Carbon		Scope 3 Carbon
	Waste		Board Independence
	Board Diversity		Executive Pay
	Tax Responsibilities		Environmental Good
	Social good		Environmental Harm
	Social Harm		Geographic Median Income
	Water Efficiency		Geographic Water Use

SUSTAINABILITY METRICS

COMPARISON OF COMPANY SCORES

Each company within the Fund is assessed against its peers (similar companies) using the 14 Sustainability metrics. Where the company demonstrates better outcomes than its peers it scores “1”. Where it fails to do so, it scores “0”.

As an example, a company may demonstrate better outcomes across 7 of the E.S.T metrics, achieving a score of “1” for each. Where it fails to achieve better outcomes for the remaining 7 metrics, it is credited with “0” for each, giving an overall score of 7/14.

The chart to the right shows how many of the companies within the fund received which score (from 0 - 14) based on the Impact Cubed data.



Past performance should not be seen as an indicator of future performance

Source: Castlefield using data provided by Impact Cubed. See Impact Cubed disclaimer on [page 17](#).

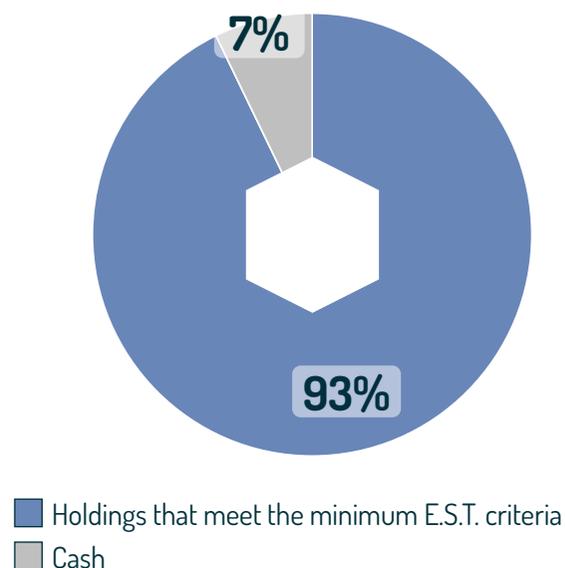
SUSTAINABILITY METRICS

PERCENTAGE OF FUND BY WEIGHT MEETING MINIMUM E.S.T. THRESHOLD

As briefly described on [page 4](#), a key stage of the approach is ensuring investments in the Fund achieve our E.S.T. Threshold.

The E.S.T. Threshold is that at least 70% of the fund is invested in companies which achieve 50% or more of the E.S.T. criteria. In other words, 70% of the investments in the Fund (by weight) must achieve a score of at least 7/14 when compared to peer companies across the E.S.T. criteria. The scoring is explained on [page 7](#).

In 2025, 93% of the fund was invested in companies which achieved 50% or more of the E.S.T. criteria.



Why doesn't 100% of the Fund meet the E.S.T. minimum threshold?

Two reasons:

- Some of the Fund needs to be held as cash, and we do not attribute any score to cash assets.
- All holdings in the Fund have passed our screening policy, but a small percentage may not pass the minimum E.S.T. criteria. We hold these companies for other reasons, such as fund diversification. In some instances, the company may have temporarily fallen below the threshold. This is where we can engage with the company to understand the reason and encourage improvements.

Past performance should not be seen as an indicator of future performance

Source: Castlefield using data provided by Impact Cubed. See Impact Cubed disclaimer on [page 17](#).

SUSTAINABILITY METRICS

ADDITIONAL METRICS DETAIL

Pages 9 to 14 show the Fund's performance against a suitable benchmark (Morningstar – UK Small Cap) in relation to the Sustainability Metrics shown on page 6.

The data covers all Fund holdings, except for cash and holdings where data wasn't available. View page 17 for more detail.



SCOPE 1 & 2 CARBON



SCOPE 3 CARBON

Performance Summary

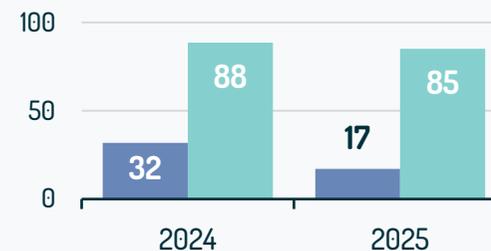
The Fund **outperformed** the benchmark in 2024 and 2025.

The Fund **underperformed** the benchmark in 2024 and 2025.

Year-on-Year Performance

Tonnes of Scope 1 & 2 Carbon Emissions Per \$1m Revenue

■ Fund
■ Benchmark



Tonnes of Scope 3 Carbon Emissions Per \$1m Revenue



Has the Metric Increased or Decreased Over the Period?

↓ -46% decrease in scope 1 & 2 carbon emissions since 2024

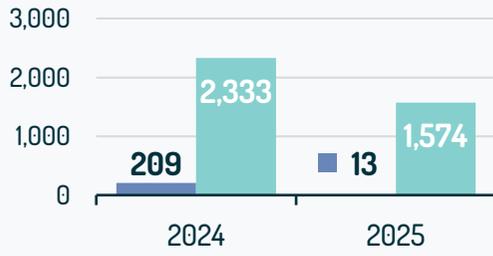
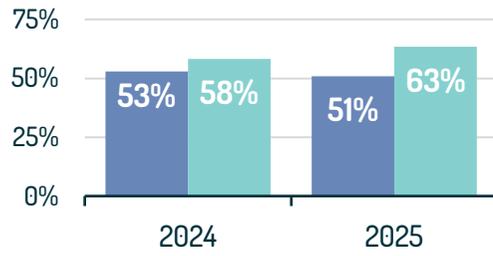
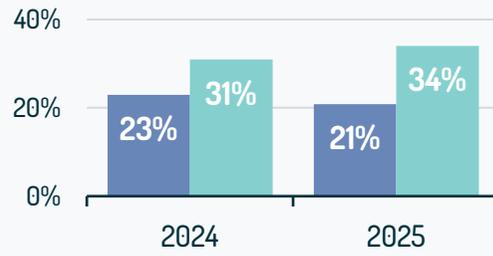
↓ -1% decrease in scope 3 carbon emissions since 2024

Past performance should not be seen as an indicator of future performance

Source: Impact Cubed. View page 17 for full source information for the additional metrics.

Key: ↓↑ Negative ↓↑ Positive

SUSTAINABILITY METRICS

	 WASTE	 BOARD INDEPENDENCE	 BOARD DIVERSITY																											
Performance Summary	The Fund outperformed the benchmark in 2024 and 2025.	The Fund underperformed the benchmark in 2024 and 2025.	The Fund underperformed the benchmark in 2024 and 2025.																											
Year-on-Year Performance	<p>Tonnes of Waste Generated Per \$1m Revenue</p>  <table border="1"> <caption>Tonnes of Waste Generated Per \$1m Revenue</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>209</td> <td>2,333</td> </tr> <tr> <td>2025</td> <td>13</td> <td>1,574</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	209	2,333	2025	13	1,574	<p>Percentage of Independent Board Members</p>  <table border="1"> <caption>Percentage of Independent Board Members</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>53%</td> <td>58%</td> </tr> <tr> <td>2025</td> <td>51%</td> <td>63%</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	53%	58%	2025	51%	63%	<p>Percentage of Female Executives and Board Members</p>  <table border="1"> <caption>Percentage of Female Executives and Board Members</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>23%</td> <td>31%</td> </tr> <tr> <td>2025</td> <td>21%</td> <td>34%</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	23%	31%	2025	21%	34%
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Has the Metric Increased or Decreased Over the Period?	 -94% decrease in generated waste since 2024	 -4% decrease in board independence levels since 2024	 -9% decrease in board diversity since 2024																											

Past performance should not be seen as an indicator of future performance

Source: Impact Cubed. View [page 17](#) for full source information for the additional metrics.

Key:   Negative   Positive

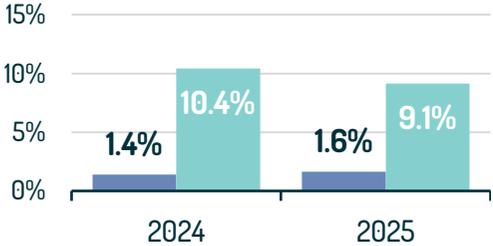
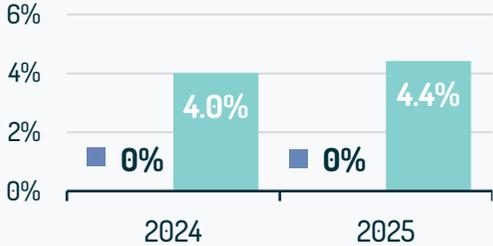
SUSTAINABILITY METRICS

	EXECUTIVE PAY	TAX RESPONSIBILITIES	ENVIRONMENTAL GOOD
Performance Summary	The Fund outperformed the benchmark in 2024 and 2025.	The Fund underperformed the benchmark in 2024 and 2025.	The Fund outperformed the benchmark in 2024 and 2025.
Year-on-Year Performance	Ratio of Executive Level Pay to Average Employee Pay 	Estimated % Tax Avoided by Corporate Tax Mitigation Schemes 	Portfolio Revenues Allocated to Environmental Solutions Defined by the SDGs
Has the Metric Increased or Decreased Over the Period?	+21% increase in ratio of executive pay to average employee pay since 2024	+0.4% increase in tax avoided by corporate mitigation schemes since 2024	+19% increase in revenues allocated to environmental solutions since 2024

Past performance should not be seen as an indicator of future performance
 Source: Impact Cubed. View [page 17](#) for full source information for the additional metrics.

Key: Negative Positive

SUSTAINABILITY METRICS

	 SOCIAL GOOD	 ENVIRONMENTAL HARM	 SOCIAL HARM																											
Performance Summary	The Fund outperformed the benchmark in 2024 and 2025.	The Fund outperformed the benchmark in 2024 and 2025.	The Fund outperformed the benchmark in 2024 and 2025.																											
Year-on-Year Performance	<p>Portfolio Revenues Allocated to Help Alleviate Social Issues Defined by the SDGs</p>  <table border="1"> <caption>Social Good Performance</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>20%</td> <td>7%</td> </tr> <tr> <td>2025</td> <td>23%</td> <td>9%</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	20%	7%	2025	23%	9%	<p>Portfolio Revenues Allocated to Environmentally Destructive Industries Defined by the SDGs</p>  <table border="1"> <caption>Environmental Harm Performance</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1.4%</td> <td>10.4%</td> </tr> <tr> <td>2025</td> <td>1.6%</td> <td>9.1%</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	1.4%	10.4%	2025	1.6%	9.1%	<p>Portfolio Revenues Allocated to Industries Aggravating Social Issues Defined by the SDGs</p>  <table border="1"> <caption>Social Harm Performance</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>0%</td> <td>4.0%</td> </tr> <tr> <td>2025</td> <td>0%</td> <td>4.4%</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	0%	4.0%	2025	0%	4.4%
Year	Fund	Benchmark																												
2024	20%	7%																												
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Year	Fund	Benchmark																												
2024	0%	4.0%																												
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Has the Metric Increased or Decreased Over the Period?	 +19% increase in revenues allocated to help alleviate social issues since 2024	 +18% increase in revenues allocated to environmentally destructive industries since 2024	 No change in revenues allocated to industries aggravating social issues since 2024.																											

Past performance should not be seen as an indicator of future performance

Source: Impact Cubed. View [page 17](#) for full source information for the additional metrics.

Key:   Negative   Positive

SUSTAINABILITY METRICS

	 GEOGRAPHIC MEDIAN INCOME	 WATER EFFICIENCY	 GEOGRAPHIC WATER USE																											
Performance Summary	The Fund underperformed the benchmark in 2024 and 2025.	The Fund underperformed the benchmark in 2024 and outperformed the benchmark in 2025.	The Fund matched the benchmark in 2024 and underperformed the benchmark in 2025.																											
Year-on-Year Performance	<p>Median GDP Per Capita of Portfolio Weighted Geography of Economic Activity</p>  <table border="1"> <caption>Median GDP Per Capita of Portfolio Weighted Geography of Economic Activity</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>\$49K</td> <td>\$46K</td> </tr> <tr> <td>2025</td> <td>\$51K</td> <td>\$49K</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	\$49K	\$46K	2025	\$51K	\$49K	<p>Thousand Cubic Metres Fresh Water Used Per \$1m Revenue</p>  <table border="1"> <caption>Thousand Cubic Metres Fresh Water Used Per \$1m Revenue</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>2.2</td> <td>2.1</td> </tr> <tr> <td>2025</td> <td>0.5</td> <td>2.1</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	2.2	2.1	2025	0.5	2.1	<p>World Resource Institute Scale 0-5 From Least to Most Water Scarce Areas</p>  <table border="1"> <caption>World Resource Institute Scale 0-5 From Least to Most Water Scarce Areas</caption> <thead> <tr> <th>Year</th> <th>Fund</th> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1.8</td> <td>1.8</td> </tr> <tr> <td>2025</td> <td>1.9</td> <td>1.7</td> </tr> </tbody> </table>	Year	Fund	Benchmark	2024	1.8	1.8	2025	1.9	1.7
Year	Fund	Benchmark																												
2024	\$49K	\$46K																												
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Year	Fund	Benchmark																												
2024	2.2	2.1																												
2025	0.5	2.1																												
Year	Fund	Benchmark																												
2024	1.8	1.8																												
2025	1.9	1.7																												
Has the Metric Increased or Decreased Over the Period?	 +6% increase in geographic median income since 2024	 -79% decrease in fresh water use since 2024	 +6% increase in geographic water use since 2024																											

Past performance should not be seen as an indicator of future performance
 Source: Impact Cubed. View [page 17](#) for full source information for the additional metrics.

Key:   Negative   Positive

SUSTAINABILITY METRICS

SUMMARY OF PERFORMANCE

Where performance improved or declined over the period

The Fund has maintained or shown improved performance on these metrics:

-  Scope 1 & 2 Carbon
-  Scope 3 Carbon
-  Waste
-  Environmental Good
-  Social Good
-  Social Harm
-  Water Efficiency

The Fund has shown a decline in performance on these metrics:

-  Board Independence
-  Board Diversity
-  Executive Pay
-  Tax responsibilities
-  Environmental Harm
-  Geographic Median Income
-  Geographic Water Use



Past performance should not be seen as an indicator of future performance

Source: Impact Cubed. View [page 17](#) for full source information for the additional metrics.

SUSTAINABILITY METRICS

WHAT DO THESE FIGURES TELL US?

Overall Performance

At company level, sustainability metrics generally improved, with all holdings now achieving 50% or more on the E.S.T. criteria, compared with one company below the threshold last year. At the Fund level, seven of the overall metrics improved or remained stable year-on-year, while seven showed some deterioration. Such variability is not unexpected in small caps, where limited data and nascent reporting can create volatility. Overall, the Fund continued to outperform the benchmark across the majority of metrics, demonstrating superior E.S.T. characteristics.

Key Strengths and Progress

On the environmental side, the Fund maintained materially lower Scope 1 and 2 emissions compared with peers, as well as lower Waste, which all reduced in absolute terms too. Waste, along with Water Efficiency, were among the top improvers. On the social side, revenues allocated to Social Good increased, while revenues allocated to industries aggravating social issues remained at zero, with both metrics continuing to outperform the benchmark.

Areas for Improvement and Engagement

Governance remains the largest area for improvement. Board Independence and Diversity deteriorated slightly and remain below the benchmark, while Executive Pay also deteriorated but still outperformed the benchmark. Scope 3 emissions, although improved, remain above the benchmark, primarily driven by our holding in **Foresight Group**, with whom we engaged during the period to discuss the drivers behind the higher reported emissions. This ability to engage with investee companies is one of the advantages of small-cap investing. We engaged with several other holdings during the period on a range of E.S.T.-related topics, including carbon target alignment with **Zotefoams**, Board composition at **Diaceutics**, and broader metrics with **Vollex**, covering areas such as health & safety, emissions and carbon target validation. We also engaged with **two holdings** within the Fund on matters relating to remuneration.



Written by David Elton

Fund Manager of the TM Castlefield Thoughtful UK Smaller Companies Fund



“At company level, sustainability metrics generally improved, with all holdings now achieving 50% or more on the E.S.T. criteria, compared with one company below the threshold last year.”

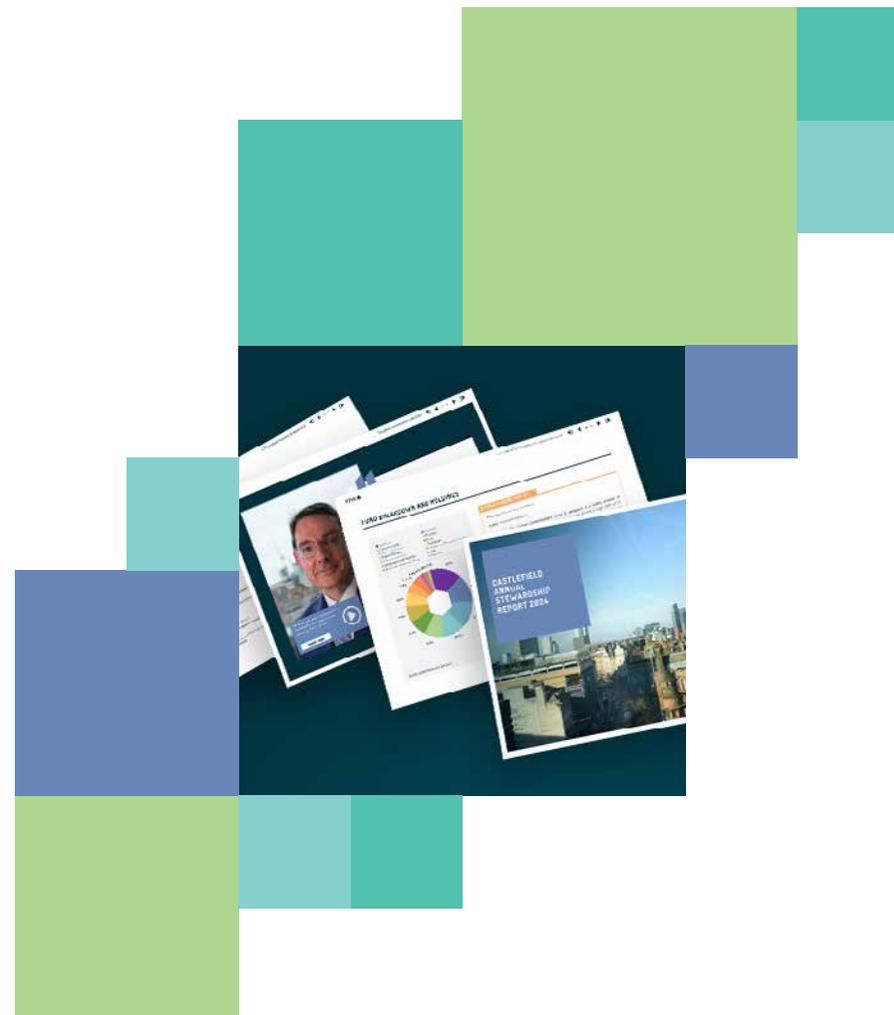
STEWARDSHIP STRATEGY

THE MANAGER'S STEWARDSHIP STRATEGY

As a thoughtful investor, the Investment Adviser is a signatory to the UK Stewardship Code and carries out a range of annual stewardship activities with investee companies in pursuit of the investment objective, including:

- Voting at company shareholder meetings
- Meeting with company management
- Undertaking collaborative engagements with other stakeholders, such as co-signing letters with other shareholders.

The Investment Adviser's annual Stewardship Report is available at www.castlefield.com.



IMPORTANT INFORMATION

IMPACT CUBED

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Additional Metrics Information (Pages 9-14):

Data for the '2025' metrics was extracted from the Impact Cubed platform on 05/01/26, using Castlefield equity fund data from 30/09/25 and external party fund data from June 2025. These metrics cover 93% of the Fund's holdings. The analysis excludes cash. Impact Cubed uses estimated data when reported data isn't available. The use of estimated data ranges from 0% to 76%, depending on the metric.

Data for the '2024' metrics was extracted from the Impact Cubed platform on 18/11/24, using Castlefield equity fund data from 27/09/24 and external party fund data from June 2024. These metrics cover 91% of the Fund's holdings. The analysis excludes cash and two holdings not covered by Impact Cubed. Impact Cubed uses estimated data when reported data isn't available. The use of estimated data ranges from 0% to 85%, depending on the metric.



FURTHER INFORMATION

Further information relating to this fund can be found through the following routes:

General Fund information:
View the Fund specific page on Castlefield's website [here](#).

Other regulatory documentation, which should be read in conjunction with and form part of this Annual SDR Report, including the Consumer Facing Document, Key Investor Information Document and the Assessment of Value:
www.tutman.co.uk.

View the Taskforce for Climate-related Financial Disclosures report [here](#).



THE THOUGHTFUL INVESTOR

8th Floor,
111 Piccadilly,
Manchester M1 2HY

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The authorised Corporate Director (ACD) of the Fund is Thesis Unit Trust Management Limited and is authorised and regulated by the Financial Conduct Authority. Number 186882. Registered in England & Wales No. 03508646. Registered Office Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP.

Past performance should not be seen as an indicator of future performance. With any investment your capital is at risk. Where an investment involves exposure to a foreign currency, changes in rates of exchange may cause the value of the investment, and the income from it, to go up or down.

For more information on the Sustainability disclosure and labelling regime, please see:
<https://www.fca.org.uk/firms/climate-change-and-sustainable-finance/sustainability-disclosure-and-labelling-regime>