

Global Growth & Income Fund for Charities

Designed for UK charities that wish to
achieve long term capital growth and income

► A BNY MELLON COMPANYSM

NEWTON
The Power of Ideas



Performance

Newton exists primarily to increase the wealth of its clients by delivering strong and transparent investment performance

Perspective

Newton uses a distinctive global, thematic approach to maintain perspective and to generate strong and durable investment ideas

Teamwork

Newton is successful in varied market conditions by using a coherent, collaborative and enduring team-based investment approach

Consistency

Newton seeks to achieve consistent and stable growth in its business by maintaining strong investment performance and managing portfolios that are appropriate to the fulfilment of clients' objectives

A fund designed for UK charities

The Global Growth & Income Fund for Charities

Specifically designed for charities, the Global Growth & Income Fund for Charities (the “Fund”) offers a straightforward and tax-efficient¹ solution for clients who wish to focus on both capital growth and income.

Capital growth and income

The Fund is a cost-effective method for gaining exposure to a variety of asset classes and geographic locations, in pursuit of its aim to optimise capital growth and income.

Experienced team

Newton Investment Management Limited (Newton) has managed charitable investments since 1985 and its specialist charities team has considerable experience in managing assets on behalf of a wide range of charities.

Commitment to service

Our clients, whether large or small, benefit from our commitment to maintaining high service levels. Our clients receive a personal contact, and we have a dedicated charities enquiries team available on 0800 917 6594 for all other enquiries.

What is a common investment fund?

Common investment funds (CIFs) are schemes made by the Charity Commission under Section 24 of the Charities Act 1993 and are open to all charities in England, Wales, Scotland and Northern Ireland.

The purpose of a common investment fund is to pool the investments of a number of charities, thereby providing a diversified investment for all investors. Charities investing in the Fund will be allocated units at the offer price calculated at the next valuation point. Your charity registration number and/or tax exemption number will need to be stated on the application form to enable us to confirm your charitable status, which is required for investment in the Fund.



Global Growth and Income Fund for Charities

A broadly diversified global portfolio

The aim of the Fund is to achieve long-term capital growth and reasonable levels of income. This is achieved from a broadly diversified global portfolio covering the world's principal stock and bond markets, with the investments diversified by geography, by sector and by major investment themes.

Where it would be in the interests of efficient management of the Fund's assets, the Fund may hold cash deposits from time to time. Income will be derived primarily from holdings of fixed interest securities (bonds) and from the dividends paid by companies. It is anticipated that this strategy will provide a balanced investment vehicle with potential for achieving attractive long-term total returns.

How does the Fund work?

The monies that you invest within the Global Growth & Income Fund for Charities are pooled with those of other charities and each charity is allocated units in the Fund. Each day, the Fund is valued and divided by the number of units in issue to reach the unit price for that day.

How is the Fund invested?

We have agreed with the Charity Commission that we will limit the asset allocation to the permitted categories listed below. The Fund will be invested in a range of equities, UK and overseas bonds but may also hold a small amount of cash.

The Fund invests in the asset classes within the following ranges:

Asset class	% range
UK equities	40-65%
Overseas equities	10-40%
UK gilts	5-20%
Corporate bonds	5-20%
International bonds	0-10%
Property	0-10%

Cash balances and other suitable assets may also be held

The benchmark is a composite comprising:

20%	FTSE Government, All Stocks Index
50%	FTSE All Share Index
25%	FTSE World (ex UK) Index
5%	7-day cash (Since 1 January 2009; previously the WM Total Charities Universe)

Investment objective

Specifically designed to meet the investment objective of many charities, the Fund aims to grow the capital value of their investments, whilst generating a reasonable level of investment income to support their charitable work. Many funds have either capital growth or income as their main objective. This Fund is designed to provide a simple solution for charities requiring a balance between the two.

The Fund is not permitted to have an ethical investment policy that impacts adversely on the maximising of financial return. However, we have adopted a policy that the Fund will not invest in companies directly involved in tobacco manufacture. Exclusion of such investments, in our view, should not have a materially negative impact on the investment performance of the Fund over the longer term. This policy will be reviewed and considered regularly by Newton and unit holders will be given at least three months' prior written notice if we change this policy.

Features of the Fund

The Fund is itself a registered charity, created to provide other charities with a straightforward solution to the investment of charitable money. The key features of the CIF are:

- The charitable status of the Fund, and of its investors, allows the Fund to pay dividends gross of tax. Charities, consequently, are spared the need to reclaim tax themselves from HMRC
- Any charity with a minimum of £5000 can benefit from the fund management expertise of Newton's charities team
- By virtue of the tax-exempt status of CIF's, the Fund is exempt from payment of stamp duty
- Charity investors are also exempt from payment of capital gains tax
- Active portfolio management within a pooled fund

Reasons to choose Newton

Our philosophy

Newton's global, thematic approach to investment has been successful for over 30 years. Our long-term investment philosophy and fundamental research have proved consistently to be key elements in overcoming the short-term uncertainties that challenge investors. As well as delivering attractive risk-adjusted returns, our approach has involved a transparency that is essential in the building of long-standing relationships with our clients.

The key benefit of our approach is that it allows us to gain long-term perspective on global financial markets and economies. Perspective is a defining feature of our investment process; it helps us to anticipate how the world will change and it directs our analysts and investment managers towards profitable investment opportunities across the world. A central tenet of Newton's approach, which dates back to the inception of the firm, has been that 'change leads to opportunity'. The continually evolving nature of our global, thematic approach allows us to understand how the world is changing and to identify areas of opportunity and risk.

The right credentials to deliver strong investment returns

Founded in 1978, Newton currently manages assets on behalf of charities, private investors, trusts, pension funds and institutions. Newton was a pioneer of thematic investing and this has been fundamental in delivering consistently strong performance in both rising and falling markets.

Thematic investing identifies themes and trends that are influencing, or likely to influence, economies or stock markets across the globe. It is not an approach that can be achieved by individuals. The collegiate culture at Newton encourages individual thinking and this ideas based approach is crucial in identifying the companies that offer the very best prospects for growth. The success of our investment approach has been recognised with a number of investment awards in recent years* and we have become one of the largest managers of charitable funds in the UK.

An experienced charities team

The specialist charities team within Newton has considerable experience of managing portfolios on behalf of a wide range of charity clients. The average length of investment experience is 21 years.

Investment autonomy

Newton is part of BNY Mellon Asset Management, which incorporates a number of specialist asset managers that each have autonomous investment processes and philosophies. This unique model enables Newton to focus entirely on managing investments and providing investment excellence.

BNY Mellon Asset Management is the global asset management arm of BNY Mellon.



Taxation benefits for UK charities

Taxation of the Fund

- **Income:** The Fund, like charities generally, is exempt from tax on its income from investments. The tax credit attaching to UK dividends can no longer be reclaimed.
- **Chargeable gains:** Gains arising on the sale of investments in the Fund will not be taxed, in the same way as applies in the case of charities generally.

Taxation of the unitholder

- **Income:** Distributions of income to unitholders will be treated in the same way as annual payments but will be payable gross of any deduction of tax.
- **Capital gains:** Any gain made by a unitholder on a disposal of units in the Fund will be subject to the usual charity exemption from chargeable gains.
- **Stamp duty/stamp duty reserve tax:** There is no stamp duty or stamp duty reserve tax payable on the issue or redemption of units in the Fund.

Fees and charges

The Global Growth & Income Fund for Charities has an initial charge of 1% to cover the setting up costs of your investment: this is charged to capital. This charge is waived on income reinvestments.

An annual management charge of 0.6% (excluding VAT) is charged to capital. Other annual expenses are paid directly by the Fund and charged to income to cover costs such as trustees, registration, reporting, audit, custody and transaction charges.

At a glance

Lead manager	Chris Metcalfe
Fund structure	Common Investment Fund (CIF)
Base currency	GBP
Launch date	12 November 2001
Fund domicile	United Kingdom
Units available	Income only
Pay dates	February, May, August and November
Minimum initial investment	£5,000
Minimum additional investment	£2,500
Unit pricing	Dual
Pricing frequency	Daily
Valuation point	12 noon
Registered charity number	1089229



To invest, please complete the application form and send it, together with your initial investment, to:

The Global Growth & Income Fund for Charities
Newton charity enquiries team
BNY Mellon Centre
160 Queen Victoria Street
London, EC4V 4LA

Please make your cheque payable to Global Growth & Income Fund for Charities. The units are purchased on a daily basis and a contract note will be sent within one working day.

Enquiries / further information

For a copy of the Scheme Particulars (if it is missing from the back of this brochure), Annual and Interim Reports or Fund factsheets please call us on 0800 917 6594, email charities@newton.co.uk or write to us at the above address.

Website: newton.co.uk/charities





Newton Investment Management Limited

Enquiries

Telephone: 0800 917 6594

Email: charities@newton.co.uk

London

BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

Edinburgh

2 Festival Square
Edinburgh EH3 9SU

Leeds

1 Whitehall Riverside
Leeds LS1 4BN

newton.co.uk/charities

This brochure is intended as an overview only and is not intended as investment advice. Past performance is not a guide to future returns. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested. The value of overseas securities will be influenced by fluctuations in exchange rates. Investors should read the scheme and/or scheme particulars before an investment is made. Issued by Newton Investment Management Limited (NIM). The Global Growth and Income Fund for Charities is a common investment fund (a scheme made by the charity commission) operated by BNY Mellon Fund Managers Limited (BNY MFM). Registered office for NIM and BNY MFM: BNY Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA. Registered in England No. 1371973 (NIM) and No.1998251 (BNY MFM). NIM and BNY MFM are authorised and regulated by the Financial Services Authority.



BNY MELLON
ASSET MANAGEMENT