

Interim Report & Accounts

Newton SRI Fund for Charities

**30 September 2021
(Unaudited)**

Newton SRI Fund for Charities - Interim Report & Accounts

Table of Contents

Introduction	3
Newton SRI Fund for Charities	4
Performance and Fund Report	4
Statistics	7
Portfolio Statement	10
Financial Statements	13
Distribution Statements	14
Notes to the Financial Statements	15
Additional Information	17
Glossary	19
Management and Professional Services	20

Newton SRI Fund for Charities - Interim Report & Accounts

Introduction

This is the interim report for Newton SRI Fund for Charities for the six month period ended 30 September 2021.

Newton SRI Fund for Charities (the "Trust") is authorised by the FCA as a Non-UCITS Retail Scheme under the Regulations. Upon the Manager managing the Trust under the provision of the Alternative Investment Fund Managers Directive, the Trust will constitute, for the purposes of the Alternative Investment Fund Managers Directive, an Alternative Investment Fund.

Value assessment and report

In July 2021, BNY Mellon Fund Managers Limited published a consolidated assessment of value report for the period ended March 2021, which included this Fund. This report is available to view on www.bnymellonim.com. The report will be published annually.

Newton SRI Fund for Charities - Interim Report & Accounts

Performance and Fund Report

for the period ended 30 September 2021

General Information

Fund Size:	£117.24m as at 30 September 2021			
Accounting Dates:	Interim	30 June	30 September	31 December
	Final	31 March		
Distribution Dates:	Interim	31 August	30 November	28 February
	Final	31 May		

Yield as at 30 September 2021:

Sterling Accumulation	1.99%
Sterling Income	2.02%
X (Accumulation)	2.00%
X (Income)	n/a

Key Dates: Fund Launch 17 May 2010

Investment Objective

The Fund aims to achieve a balance between capital growth and income for investors which are Charities, over the long term (5 years or more).

Investment Policy

The Fund is actively managed and invests in equities (company shares) and fixed income securities (bonds) issued by companies and governments globally, screened against negative socially responsible investment criteria. The investment universe will be determined through the Manager's investment process and socially responsible investment screening by reference to the Negative criteria* (the screening is provided by an external research provider). The three components of the Manager's investment process are (i) building a strategic framework, (ii) undertaking global analysis and research and (iii) constructing a portfolio to meet specific client objectives. Also integrated into the investment process, the Investment Manager has a well-established approach to responsible investment. This process includes identifying and considering environmental, social and governance ("ESG") risks, opportunities and issues throughout the Investment Manager's research process, in an effort to ensure that any material ESG issues are considered. Further details on the Investment Manager's investment process are available by request to the Manager.

The Fund will typically invest in a range of asset classes to include UK company shares, overseas company shares, UK and overseas bonds (including government and corporate bonds). The Fund may gain exposure to infrastructure, renewable energy, property or commodities indirectly through exchange listed securities and/or collective investment schemes. In addition, the Fund may invest in cash (including, but not limited to commercial paper and certificates of deposit) and in collective investment schemes (including other investment funds managed by the Manager or its associates).

The Fund is not permitted to use derivatives (including currency forward contracts).

*Further details of the negative criteria are available in appendix 5 of the prospectus.

Statutory Performance Data

From	31/03/2021	31/03/2020	31/03/2019	31/03/2018
To	30/09/2021	31/03/2021	31/03/2020	31/03/2019
Sterling Accumulation*	6.29%	31.73%	-5.23%	7.71%
Sterling Income*	6.29%	31.63%	-5.24%	7.71%
X (Accumulation)*	6.64%	32.38%	-4.71%	8.30%
X (Income)^*	6.64%	n/a	n/a	n/a

37.5% FTSE All-Share TR Index/ 37.5% FTSE World ex UK TR Index/ 20%
FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% LIBID GBP
7 Day**

6.57%	23.42%	-6.54%	8.48%
-------	--------	--------	-------

^Full 3 year performance data is not available. For share class launch and closure dates, please refer to the Statistics section on pages 7 to 9.

*Source - Lipper, midday prices, offer to offer, gross income reinvested, net of fees.

**Source - Index data provided by Datastream (in Sterling terms); index composite calculated by Newton.

Past performance is not a guide to future performance. The value of investments and the revenue from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.

Newton SRI Fund for Charities - Interim Report & Accounts

Performance and Fund Report

(continued)

Fund Report

Attribution

Global equities advanced over the six-month review period, drawing strength from an impressive slate of US economic data, robust corporate earnings and further evidence that vaccination programmes are paving the way for a full reopening of economies. However, as the period progressed, the widening scope of regulatory intervention within China unnerved investors. Concern that a highly indebted Chinese property developer might default on its loans, which could trigger a broader crisis in the property and financial sectors, also depressed sentiment.

Towards the end of the review period, higher energy prices, goods shortages and wage-inflation numbers meant central banks adopted a more 'hawkish' tone, with major central banks in the US and UK highlighting that monetary stimulus could be 'tapered' and interest rates moved higher, over the coming year.

Against this backdrop, the Fund produced a strong positive return over the reporting period (+6.29%*), but slightly underperformed its performance benchmark (+6.57%**). While asset allocation was positive, with the Fund's underweight position in bonds and cash beneficial, security selection in equities detracted.

Within equities, a few detractors to performance centred around the portfolio's exposure to China. Naspers (through its exposure to Tencent) was affected by the regulatory changes affecting technology companies detailed above, while Ping An Insurance of China and AIA were negatively affected by sentiment around the Chinese financial system, with concerns about a potential fallout from an Evergrande default.

The holding in Associated British Foods weighed on performance after reporting a mixed fourth-quarter trading statement. Although operating profit for the quarter for both the food businesses and for Primark was ahead of previous guidance and should translate into low to mid-single digit earnings upgrades, investors focussed on Primark sales, which were below expectations.

The zero weighting in Royal Dutch Shell detracted, as the oil price surged against a backdrop of tightening supply and rebounding demand. Not holding Diageo, due to the Fund's ethical considerations, also detracted from relative performance, with the alcoholic drinks group one of the beneficiaries of the reopening of economies.

Conversely, in a strong demand environment for electric vehicles, the price of lithium significantly increased over the quarter. This benefited the holding in lithium producer, Albemarle, as the return profile of its growth projects and current contract pricing received a firm underpinning.

Alphabet, the parent company of Google, performed well as the company issued a good set of second-quarter results in which revenue easily surpassed expectations, with search a specific area of strength. Microsoft also continued to report good results and is well positioned in key secular-growth markets.

RELX contributed as investor confidence in a recovery in exhibitions gathered pace. First-half results were better than expected, with the organic growth displayed by the Scientific, Technical & Medical segment a particular standout. Recruit performed well, aided by a robust set of results for the first quarter. In particular, the human resources technology business proved much stronger than expected, supported by low unemployment in the US. The company raised its full-year guidance. University operator Laureate Education also performed well as it continued its strategy of selling assets in Latin America and the US.

Turning to bonds, although the Fund's position in corporate bonds was slightly detrimental as credit spreads widened, this was more than offset by the underweight in UK government bonds, as their yields rose in a rising inflationary environment.

Activity Review

We initiated a position in 3i, which is a UK company that invests proprietary capital across mid-market private equity and infrastructure investments. We believe that 3i can deliver a strong shareholder return over the next three years and is well-underpinned by robust growth at Action, a discount retailer which accounts for 44% of its investment portfolio. Action is a strong asset, delivering a best-in-class returns profile within discount retail. Action currently has approximately 1,700 stores and sees potential for 6,500 stores in Europe over the long term. Importantly, Action has a proven international expansion strategy. We believed that the market was underappreciating the durability of 3i shares returns given Action's potential growth.

The Fund acquired a holding in Universal Music Group (UMG), a leading global pure-play record label, following its demerger from Vivendi. The shift towards a subscription-based streaming model has transformed the economics of the music industry, enhancing the visibility of revenues and allowing for significant margin expansion through lower distribution costs and operating leverage, while gaming, social media and emerging-market growth increase addressable markets. We forecast UMG to strongly grow revenues and earnings over the next five years and for investors to increasingly value this differentiated income stream.

We sold the holding in Novartis, as with several patent expiries on the horizon from 2023, we felt that this could contribute to a more subdued growth outlook for the company. We reinvested the proceeds into AstraZeneca. The company has a successful stream of oncology assets with a significant growth outlook. AstraZeneca's success in producing a Covid-19 vaccine was rewarded last year; however, the company's recent takeover of Alexion, an American rare-diseases specialist, received a sceptical response from investors. The success of AstraZeneca's strategic and scientific decisions over recent years gives us confidence and we believe the acquisition will enhance the company's capabilities in immunology and rare diseases in the long term, while growth from its existing assets provides an increasingly stable base to build on.

Owing to some concerns over its debt profile, we took advantage of strong recent share-price performance to sell the holding in Lennar. We retain an exposure to the US housebuilding sector, which we believe remains thematically attractive, via positions in Toll Brothers and Ferguson.

Following a strong run of performance, we decided to sell the holding of Japanese industrial stock Ebara. The company is exposed to oil and gas, through downstream and midstream, and over the long term the sector has very limited growth potential. The company is also exposed to the semiconductor industry and has benefited from what may prove to be a temporary shortage of semiconductor chips. With Continental's restructuring story delayed by the coronavirus and supply-chain issues, and with cash flow needing to be reinvested to maintain relevance, we decided to sell the holding.

Newton SRI Fund for Charities - Interim Report & Accounts

Performance and Fund Report

(continued)

Naspers' holding in Prosus, and in turn, its considerable exposure to Tencent, led us to sell the holdings in both Naspers and Prosus. Although we continue to like the opportunities afforded by Tencent's business model, regulatory headwinds in China look set to be an overhang for some time to come.

Finally, we sold the position in Lloyds Banking Group to reduce the Fund's exposure to the banking sector as a whole and consolidate positions into more favoured names.

Outlook

Governments around the world look set to play an increasing role in both stimulating and regulating domestic economies. We expect *geopolitics* to determine the attractiveness of long-term capital-allocation decisions for corporate investment, with related consequences for supply chains, employment and inflation. These are additional disruptive forces that management teams must consider, alongside well-established disruptions in the form of technology and the energy transition.

As the impact of the pandemic subsides and we adapt to endemic conditions, supply-chain issues should begin to resolve. Some longer-term scarring to industry processes may persist, however, with implications for sourcing and inflation. The reaction of monetary and *fiscal* authorities to these effects will be an important determinant of financial conditions and asset valuations.

At Newton, our investment process aims to identify these dynamics and capture the opportunities and challenges presented by them via our themes, which guide our portfolio construction over the long term.

*Source: Lipper, midday prices, offer to offer, gross income reinvested, net of fees

**Source: Index data provided by Datastream (in Sterling terms); index composite calculated by Newton

Performance Benchmark: 37.5% FTSE All-Share TR Index/ 37.5% FTSE World ex UK TR Index/ 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index/ 5% LIBID GBP 7 Day

For a definition of italicised terms, please refer to the Glossary on page 19.

The table below shows the top ten (or all) purchases and sales (excluding any derivative and short term cash transactions) for the period.

Purchases	Sales
AstraZeneca	Ebara
3i	Novartis
SAP	Lennar
Alcon	Lloyds Banking
Mastercard	Continental
Barclays	Naspers
Fresenius Medical Care	Prosus
Sony	BP
M3	Vivendi
Suzuki Motor	Applied Materials

Newton SRI Fund for Charities - Interim Report & Accounts

Statistics

for the period ended 30 September 2021

Price and Revenue Record by Unit Class

Unit class	Highest Price (p)	Lowest Price (p)	Net Revenue per unit (p)
Sterling Accumulation			
31/03/2019	145.28	129.07	3.5335
31/03/2020	162.08	120.52	3.7365
31/03/2021	175.34	128.65	3.3274
30/09/2021	190.62	172.96	2.1532
Sterling Income			
31/03/2019	159.04	141.61	3.8646
31/03/2020	171.10	127.22	3.9839
31/03/2021	180.99	134.94	3.4867
30/09/2021	194.46	177.53	2.2037
X (Accumulation)			
31/03/2019	146.53	129.92	3.5663
31/03/2020	164.85	122.63	3.7893
31/03/2021	179.15	130.93	3.4101
30/09/2021	195.50	177.02	2.2057
X (Income)*			
31/03/2021	101.61	98.13	0.5189
30/09/2021	109.74	99.98	1.2422

*Unit class launched on 8 February 2021.

Newton SRI Fund for Charities - Interim Report & Accounts

Statistics

(continued)

Net Asset Value History by Unit Class

Unit class as at	Net Asset Value (£)	Per unit (p)	Units in issue
Sterling Accumulation			
31/03/2019	36,807,985	140.55	26,187,797
31/03/2020	31,069,324	132.22	23,497,916
31/03/2021	3,188,053	174.04	1,831,815
30/09/2021	3,425,231	184.21	1,859,374
Sterling Income			
31/03/2019	57,860,850	151.24	38,257,840
31/03/2020	50,665,889	138.70	36,528,698
31/03/2021	58,627,273	178.65	32,816,790
30/09/2021	62,608,377	186.88	33,501,828
X (Accumulation)			
31/03/2019	11,915,551	142.25	8,376,262
31/03/2020	9,823,426	134.56	7,300,269
31/03/2021	45,081,955	177.99	25,328,433
30/09/2021	46,875,009	189.01	24,800,128
X (Income)			
31/03/2021	4,138,215	100.53	4,116,246
30/09/2021	4,333,766	105.51	4,107,483

Newton SRI Fund for Charities - Interim Report & Accounts

Statistics

(continued)

Operating Charges

Unit class	30/09/2021*	31/03/2021
	%	%
Sterling Accumulation	0.70	0.70
Sterling Income	0.70	0.70
X (Accumulation)	0.05	0.05
X (Income)	0.05	0.06

* The operating charges figure as at 30 September 2021 is an annualised figure.

The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Fund, such as the fees paid to the Fund Accountant, Fund Administrator, Trustee, Custodian, Auditor and Regulator.

The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

Newton SRI Fund for Charities - Interim Report & Accounts

Portfolio Statement (Unaudited)

as at 30 September 2021

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Bonds 10.45% (11.16%)			
UK Government Bonds 6.64% (7.10%)			
United Kingdom Gilt 3.25% 22/1/2044	GBP2,495,000	3,380,912	2.88
United Kingdom Gilt 3.75% 22/7/2052	GBP605,000	964,960	0.82
United Kingdom Gilt 4.25% 7/6/2032	GBP1,140,000	1,506,025	1.29
United Kingdom Gilt 4.25% 7/3/2036	GBP750,000	1,049,306	0.90
United Kingdom Gilt 6% 7/12/2028	GBP640,000	872,925	0.75
Sterling Denominated Corporate Bonds 3.81% (4.06%)			
A2D Funding II 4.5% 30/9/2026	GBP724,000	815,904	0.70
British Telecommunications 3.5% 25/4/2025	GBP165,000	356,585	0.30
Motability Operations 5.375% 28/6/2022	GBP365,000	378,428	0.32
National Express 4.25% Perpetual	GBP110,000	113,850	0.10
Tesco Property Finance 3 5.744% 13/4/2040	GBP717,930	938,451	0.80
Transport for London 2.125% 24/4/2025	GBP590,000	612,172	0.52
Virgin Media Vendor Financing Notes III DAC 4.875% 15/7/2028	GBP500,000	509,285	0.43
Vodafone 4.875% 3/10/2078	GBP700,000	753,900	0.64
Collective Investment Schemes 8.46% (10.31%)			
Aquila European Renewables Income Fund	690,285	605,175	0.52
Bluefield Solar Income Fund	724,400	893,910	0.76
Greencoat UK Wind	1,262,781	1,639,090	1.40
Hipgnosis Songs Fund	1,525,180	1,854,619	1.58
International Public Partnerships	336,684	545,428	0.47
iShares Physical Gold ETC	80,766	2,056,962	1.75
Renewables Infrastructure	1,379,203	1,701,936	1.45
VPC Specialty Lending Investments	707,147	622,289	0.53
Equities 76.57% (76.88%)			
United Kingdom 24.30% (21.81%)			
3i	68,183	873,424	0.75
Associated British Foods	63,255	1,176,227	1.00
AstraZeneca	21,752	1,948,109	1.66
Barclays	965,546	1,830,675	1.56
BP	390,210	1,327,690	1.13
Ferguson	23,307	2,408,778	2.06
GlaxoSmithKline	163,986	2,301,380	1.96
Home Reit	1,019,558	1,101,123	0.94
Informa	331,850	1,822,520	1.55
Linde	8,568	1,864,009	1.59
National Grid	147,633	1,305,962	1.11
Prudential	156,896	2,282,052	1.95
RELX	132,251	2,839,429	2.42
Schroder BSC Social Impact Trust	500,000	500,000	0.43
SDCL Energy Efficiency Income Trust	947,589	1,070,776	0.91
Travis Perkins	70,499	1,082,160	0.92
Unilever	51,070	2,045,353	1.75
VH Global Sustainable Energy Opportunities	531,707	534,897	0.46
Wickes	78,995	179,161	0.15
United States of America 19.17% (18.69%)			
Albemarle	8,343	1,354,643	1.16
Alphabet	1,340	2,654,747	2.26
Apple	20,362	2,134,133	1.82
Applied Materials	18,634	1,778,339	1.52
Citigroup	24,574	1,278,683	1.09
CME	9,465	1,356,766	1.16
Goldman Sachs	4,367	1,223,608	1.04
Jackson Financial	3,922	75,453	0.06
Laureate Education	127,985	1,611,737	1.38
Mastercard	7,013	1,807,615	1.54
Microsoft	17,471	3,649,947	3.11

Newton SRI Fund for Charities - Interim Report & Accounts

Portfolio Statement (Unaudited)

(continued)

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
United States of America (continued)			
Organon & Co	260	6,321	0.01
Otis Worldwide	16,772	1,023,473	0.87
Texas Instruments	6,920	986,101	0.84
Toll Brothers	37,405	1,534,094	1.31
Australia 2.22% (2.44%)			
BHP	66,867	1,262,449	1.08
Insurance Australia	506,068	1,333,898	1.14
China 0.51% (0.92%)			
Ping An Insurance of China	118,500	600,606	0.51
Denmark 0.53% (0.51%)			
Novozymes	12,171	617,892	0.53
France 3.76% (4.48%)			
Bureau Veritas	52,141	1,196,583	1.02
Legrand	13,340	1,063,118	0.91
TotalEnergies	49,159	1,746,308	1.49
Vivendi	43,236	405,250	0.34
Germany 3.93% (3.87%)			
Brenntag	27,050	1,873,005	1.60
Fresenius Medical Care	19,411	1,016,056	0.86
SAP	17,103	1,721,693	1.47
Hong Kong 2.06% (2.23%)			
AIA	281,200	2,408,433	2.06
India 0.47% (0.51%)			
HDFC Bank ADR	10,054	544,997	0.47
Ireland 7.23% (6.98%)			
Accenture	8,826	2,093,602	1.78
CRH	54,054	1,886,484	1.61
Greencoat Renewables	957,816	938,511	0.80
Medtronic	17,286	1,606,745	1.37
Smurfit Kappa	50,463	1,953,927	1.67
Japan 5.16% (5.59%)			
M3	14,000	743,635	0.63
Recruit	30,900	1,403,050	1.20
Sony	27,500	2,275,792	1.94
Suzuki Motor	49,100	1,629,898	1.39
Netherlands 0.73% (0.59%)			
Universal Music	43,236	858,626	0.73
South Africa 0.00% (1.09%)			
South Korea 2.44% (2.59%)			
Samsung Electronics GDR	741	858,413	0.73
Samsung SDI GDR	17,845	2,006,380	1.71
Switzerland 2.76% (3.07%)			
Alcon	22,689	1,371,658	1.17
Roche	4,838	1,315,084	1.12
Zurich Insurance	1,799	548,510	0.47
Taiwan 0.51% (0.55%)			
Taiwan Semiconductor Manufacturing ADR	7,141	591,310	0.51

Newton SRI Fund for Charities - Interim Report & Accounts

Portfolio Statement (Unaudited)

(continued)

Investments	Nominal/Holding	Market Value (£)	Total Net Assets (%)
Thailand 0.79% (0.96%)			
Bangkok Bank	101,600	259,448	0.22
Kasikornbank	228,900	667,311	0.57
Portfolio of investments		111,940,169	95.48
Net current assets		5,302,214	4.52
Total Net Assets		117,242,383	100.00
Total unapproved and unquoted securities			0.00%

Comparative figures in brackets refer to 31 March 2021.

Unless otherwise indicated, the holdings in the Portfolio Statement represents the ordinary shares, ordinary stock units, common shares or debt securities of the relevant companies or issuers.

Newton SRI Fund for Charities - Interim Report & Accounts

Statement of Total Return

for the period ended 30 September 2021

		30/09/2021		30/09/2020
	£	£	£	£
Income				
Net capital gains		5,439,615		14,128,392
Revenue	1,490,677		1,337,748	
Expenses	(237,010)		(307,306)	
Interest payable and similar charges	(6)		—	
Net revenue before taxation	1,253,661		1,030,442	
Taxation	(61,169)		(75,055)	
Net revenue after taxation		1,192,492		955,387
Total return before distributions		6,632,107		15,083,779
Distributions		(1,369,134)		(1,209,498)
Change in net assets attributable to Unitholders from investment activities		5,262,973		13,874,281

Statement of Change in Net Assets Attributable to Unitholders

for the period ended 30 September 2021

		30/09/2021		30/09/2020
	£	£	£	£
Opening net assets attributable to Unitholders		111,035,496		91,558,639
Amounts receivable on issue of units	2,596,268		111,367	
Amounts payable on cancellation of units	(2,239,323)		(5,106,955)	
		356,945		(4,995,588)
Dilution adjustment		—		4,805
Change in net assets attributable to Unitholders from investment activities		5,262,973		13,874,281
Retained distributions on accumulation units		586,969		512,262
Closing net assets attributable to Unitholders		117,242,383		100,954,399

The IA SORP requires comparative figures for the end of the half yearly period of the prior year for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period as these are not consecutive periods.

Balance Sheet

as at 30 September 2021

		30/09/2021		31/03/2021
	£	£	£	£
ASSETS				
Fixed assets				
Investment assets		111,940,169		109,205,270
Current assets				
Debtors	393,294		965,889	
Cash and bank balances	5,386,184		1,271,850	
Total other assets		5,779,478		2,237,739
Total assets		117,719,647		111,443,009
LIABILITIES				
Investment liabilities		—		—
Creditors				
Distribution payable	(375,700)		(328,714)	
Other creditors	(101,564)		(78,799)	
Total other liabilities		(477,264)		(407,513)
Total liabilities		(477,264)		(407,513)
Net assets attributable to Unitholders		117,242,383		111,035,496

Newton SRI Fund for Charities - Interim Report & Accounts

Distribution Statements

for the period ended 30 September 2021

Interim Dividend distribution in pence per unit

Period

1 July 2021 to 30 September 2021

	Amount Payable	Prior Period 30/09/2020
Sterling Accumulation	1.0281	0.8110
Sterling Income	1.0489	0.8447
X (Accumulation)	1.0542	0.8234
X (Income)	0.5918	n/a

Interim Dividend distribution in pence per unit

Period

1 April 2021 to 30 June 2021

	Amount Paid	Prior Period 30/06/2020
Sterling Accumulation	1.1251	0.9978
Sterling Income	1.1548	1.0464
X (Accumulation)	1.1515	1.0125
X (Income)	0.6504	n/a

	Franked (%)	Unfranked (%)
Interim distributions for 30 September 2021	100.00	0.00
Interim distributions for 30 June 2021	100.00	0.00

Newton SRI Fund for Charities - Interim Report & Accounts

Notes to the Financial Statements

for the year ended 30 September 2021

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014 and amended in June 2017 (the SORP). In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102).

All other accounting policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2021.

Directors' Statement

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the Report on behalf of the Directors of BNY Mellon Fund Managers Limited.

C Judd

Director
BNY Mellon Fund Managers Limited

25 November 2021

G Brisk

Director
BNY Mellon Fund Managers Limited

25 November 2021

Newton SRI Fund for Charities - Interim Report & Accounts

Additional information

Pricing

The Manager may set the price of units within the limits, which are allowed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook. The value of the Fund's underlying assets forms the basis for calculating the price of the units. The Fund is valued at 12 noon on each business day. This time is known as the valuation point.

Dilution adjustment

The Fund's investments are valued on a mid-market basis in accordance with the Financial Conduct Authority's regulations.

However, the actual cost of purchasing or selling investments may deviate from the mid-market value used in calculating the unit price, due to dealing costs such as broker charges, taxes and any spread between the buying and selling prices of the underlying investments.

These dealing costs can have an adverse effect on the value of the Fund, and this is known as "dilution".

The Financial Conduct Authority regulations allow the cost of dilution to be met directly from the Fund's assets or to be recovered from investors on the purchase or redemption of units, inter alia, by means of a dilution adjustment to the dealing price, which is the policy that has been adopted by the Manager.

To mitigate the effects of dilution the Manager therefore has the discretion to make a dilution adjustment in the calculation of the dealing price and thereby adjust the dealing price of units on any given day.

The need to make a dilution adjustment will depend on the volume of purchases or redemptions on any given day.

As set out in the Prospectus, the Manager may make a dilution adjustment when calculating the price of a unit. In deciding whether to make a dilution adjustment at any valuation point, the Manager will take into account the number of units to be issued or cancelled. Where the number of units to be issued exceeds the number of units to be cancelled, the dilution adjustment to the unit price will be upwards. Where the number of units to be cancelled exceeds the number of units to be issued, the dilution adjustment to the unit price will be downwards.

The net yield

The published yield of the Fund is the Historic Yield and reflects distributions declared over the past twelve months as a percentage of the quoted unit price as at the date shown. It does not include any initial charge. Although the Fund is liable to corporation tax on its income profits, it is not currently in a UK tax paying position. This is because dividend income (whether from the UK or overseas) is generally exempt from UK tax, meaning the Fund's taxable income is less than its deductible expenses. The Fund has, however, been subject to withholding tax on receipt of income from overseas investments.

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital.

Charges

An annual management charge of 0.65% for Sterling Accumulation and Sterling Income units and 'As agreed' for the X (Accumulation) and X (Income) units, is deducted in monthly instalments from the Fund's revenue.

Any change to the management charge is subject to 60 days' written notice by the Manager. The Trust Deed also permits payment out of the Fund of the Trustee's fee (plus VAT) together with other fees and expenses associated with the operation of the Fund.

The Newton SRI Fund for Charities charges its Manager's periodic charge to the capital account of the Fund, and investors should be aware that there is a potential for future capital erosion.

Buying and selling

Instructions to buy and sell units can be provided to the Manager between 9.00 am and 5.00 pm on any business day, excluding UK public holidays. These will be effected at the price ruling at the next valuation point. Units may also be sold by sending us a completed and signed renunciation form. We will send you a contract note within one business day of processing your buy or sell instruction. No other acknowledgement of your instruction will be made. Payment of redemption proceeds will be made within three business days of receipt of a completed renunciation form.

Prices are calculated by reference to the net asset value of the Fund in accordance with the regulations.

The Price and yield of units

The most recent prices will be available on the Manager's website:-

<http://www.newtonim.co.uk/uk-charities/daily-prices/>

Prices may also be published in other media on each day the Fund is valued.

Trust status

The Fund is an authorised unit trust fund under s243 of the Financial Services and Markets Act 2000. It is a Non-UCITS fund as defined by the Financial Conduct Authority's Collective Investment Schemes Sourcebook. The Fund was constituted by a Trust Deed dated 11 March 2010.

Minimum investment

The minimum investment for new Unitholders in the Sterling Accumulation and Sterling Income units is £5,000. Additional units may be purchased with a minimum of £2,500. Investments in X (Accumulation) and X (Income) is 'As agreed' with the manager. These limits may be waived at the Manger's discretion.

Dealing arrangements

The Manager uses dealing commission that it pays to brokers to cover costs relating to the purchase of research services from brokers or third parties. The Manager considers such use of commission to be beneficial to the Fund, as it enables the Manager to obtain valuable research in a cost effective manner.

Newton SRI Fund for Charities - Interim Report & Accounts

Additional information

(continued)

Dealing arrangements (continued)

Payment for research services is included within the full service commission paid to brokers for execution. A portion of this commission is recognised as being for advisory services, principally research. This advisory commission is redistributed across brokers and other research providers according to the value placed by the Manager on the quality of research received.

The Manager currently receives the following goods and services under its Dealing Arrangements in accordance with FCA guidance:

- goods and services relating to the provision of research;
- broker led research; and
- research from third party information providers;
- non-broker led research.

Application forms and Prospectus

All stated documents can be requested by calling 0344 892 2715 or writing to BNY Mellon Fund Managers Limited at the address stated on page 20.

A word of warning

Investors should remember that the value of units and the revenue from them can fluctuate and is not guaranteed. Past performance is not a guide to the future and you may not get back the full amount invested. Unit trusts should be regarded as long term investments and may not be suitable for money you may need at short notice. The value of overseas securities will be influenced by the rate of exchange which is used to convert these into sterling.

Value assessment and report

In July 2021, BNY Mellon Fund Managers Limited published a consolidated assessment of value report for the period ended March 2021, which included this Fund. This report is available to view on www.bnymellonim.com. The report will be published annually.

Significant events

Effective 1 October 2021, the Performance Benchmark for the Newton SRI for Charities Fund changed from 37.5% FTSE All-Share TR Index, 37.5% FTSE World ex UK TR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% LIBID GBP 7 Day to 37.5% FTSE All-Share TR Index, 37.5% FTSE World ex UK TR Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks TR Index and 5% 7 Day Compounded SONIA.

Client classification notice

Under the FCA's Conduct of Business rules we are required to classify our investors. We have classified you as a Retail Client unless otherwise notified. This means that you will have the maximum amount of protection available for complaints and compensation, and will receive information in a straightforward way. However, some clients, such as professional investors, may not necessarily have the same rights under the Financial Ombudsman Service and the Financial Services Compensation Scheme. Further details may be found on our website – www.bnymellonim.co.uk under Client Classification.

Securities Financing Transactions

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions ("SFTs") will be required on all annual reports & accounts published after 13 January 2017. During the period and as at the balance sheet date, the Fund did not engage in SFTs.

Newton SRI Fund for Charities - Interim Report & Accounts

Glossary

Term	Definition
Credit spread(s)	The difference in yield between two bonds of similar maturity but different credit quality; for example if the 10-year Treasury (US government debt) is trading at a yield of 6% and a 10-year corporate bond is trading at a yield of 8%, the corporate bond is said to offer a 200-basis-point spread over the Treasury. Widening credit spreads indicate growing concern about the ability of borrowers to service their debt. Narrowing credit spreads indicate improving private creditworthiness. See also yield, basis points.
Default(s)	Default is the failure to pay interest or principal on a loan or security when due.
Equity/Equities	Shares issued by a company, representing an ownership interest.
Fiscal/fiscal policy	Government policy on taxation, spending and borrowing.
Geopolitics/Geopolitical	Geographic influences on power relationships in international relations.
Hawk(s)/hawkish	A hawk, also known as an inflation hawk, is a policymaker or advisor who is predominantly concerned with interest rates as they relate to fiscal policy. A hawk generally favors relatively high interest rates in order to keep inflation in check. In other words, hawks are less concerned with economic growth than they are with recessionary pressure brought to bear by high inflation rates.
Monetary stimulus	An attempt by a government to make the economy grow faster by increasing the money supply (the amount of money in the economy) or lowering interest rates.
Yield(s)	Income received from investments, either expressed as a percentage of the investment's current market value, or dividends received by the holder.

Newton SRI Fund for Charities - Interim Report & Accounts

Management and Professional Services

Manager and Registered Office

BNY Mellon Fund Managers Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

Client Enquiries:
Call free on 0800 614 330
Call +44 (0) 203 528 4002

Dealing:
Call free on 08085 440 000

Directors

G A Brisk
S Cox (appointed as director 21
September 2021)
AM Islam
C Judd (chairperson)
G Rehn
M Saluzzi

Trustee

NatWest Trustee and Depositary
Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh EH12 1HQ
United Kingdom

(Authorised by the Prudential
Regulation Authority and regulated
by the Financial Conduct Authority
and the Prudential Regulation
Authority)

Manager

Newton Investment Management Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

(Authorised and regulated by the
Financial Conduct Authority)

Registrar and Administration

BNY Mellon Fund Managers Limited
Client Service Centre
PO Box 366
Darlington DL1 9RF
United Kingdom

(Authorised and regulated by the
Financial Conduct Authority)

Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom

Authorisation

BNY Mellon Fund Managers Limited
is authorised and regulated by the
Financial Conduct Authority.
A member of The Investment Association.

BNY Mellon Fund Managers Limited
is registered in England No. 1998251.
A subsidiary of BNY Mellon
Investment Management EMEA
Limited.