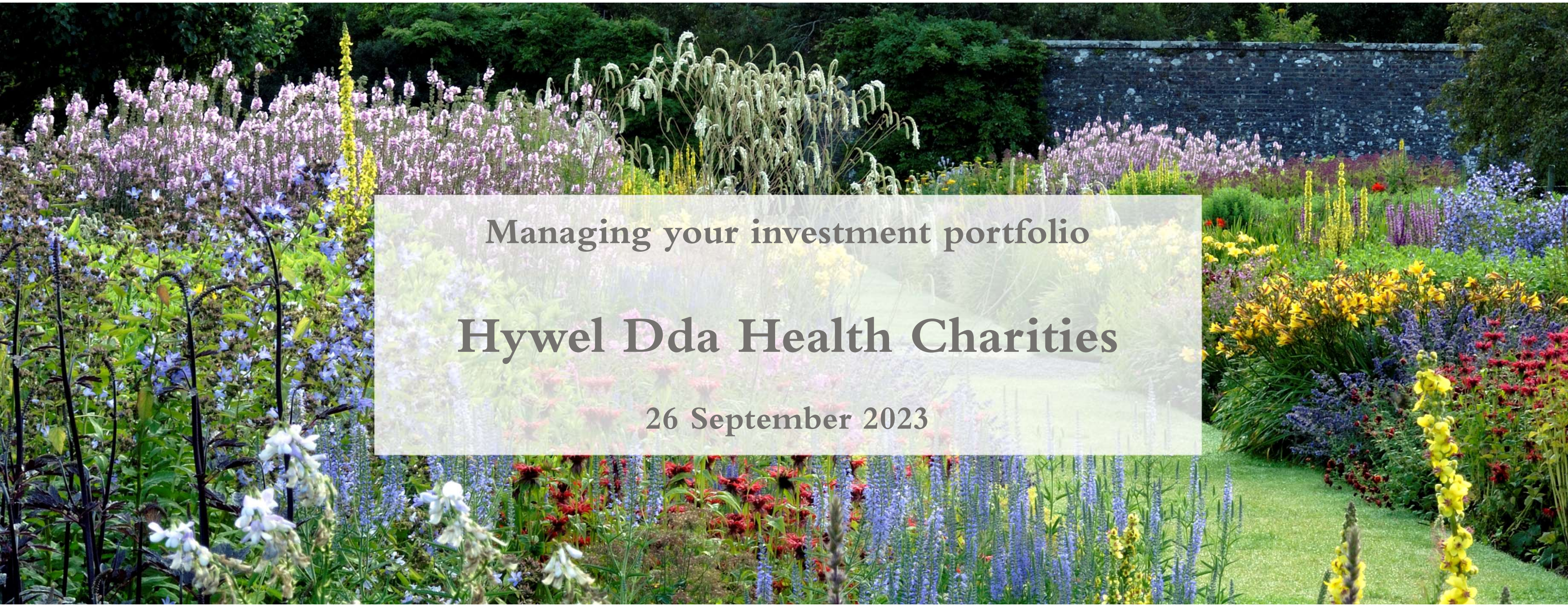

Managing your investment portfolio

Hywel Dda Health Charities

26 September 2023

Heather Lamont – Client Investment Director

CCLA

GOOD INVESTMENT

COIF Charities Ethical Investment Fund	Market Value	Forecast income yield	Forecast annual income
The General Investment Fund	£6,034,974	3.01%	£181,822
The Permanent Endowment Fund	£2,205,707	3.01%	£66,454
Total portfolio	**£8,240,681**	**3.01%**	**£248,276**

Initial investment (15 December 2022):
General Investment – £5,907,001
Permanent Endowment – £2,158,934

Income received to date:
General Investment – £135,756
Permanent Endowment – £49,628

Source CCLA as at 7 September 2023
Annual income figures are based on current fund unit holdings and forecast distributions per fund unit for calendar year 2023.

Please note that this portfolio valuation is not intended for audit purposes. Forecast yields and annual income is not guaranteed.
Please see valuation risk warning at the end of this presentation.

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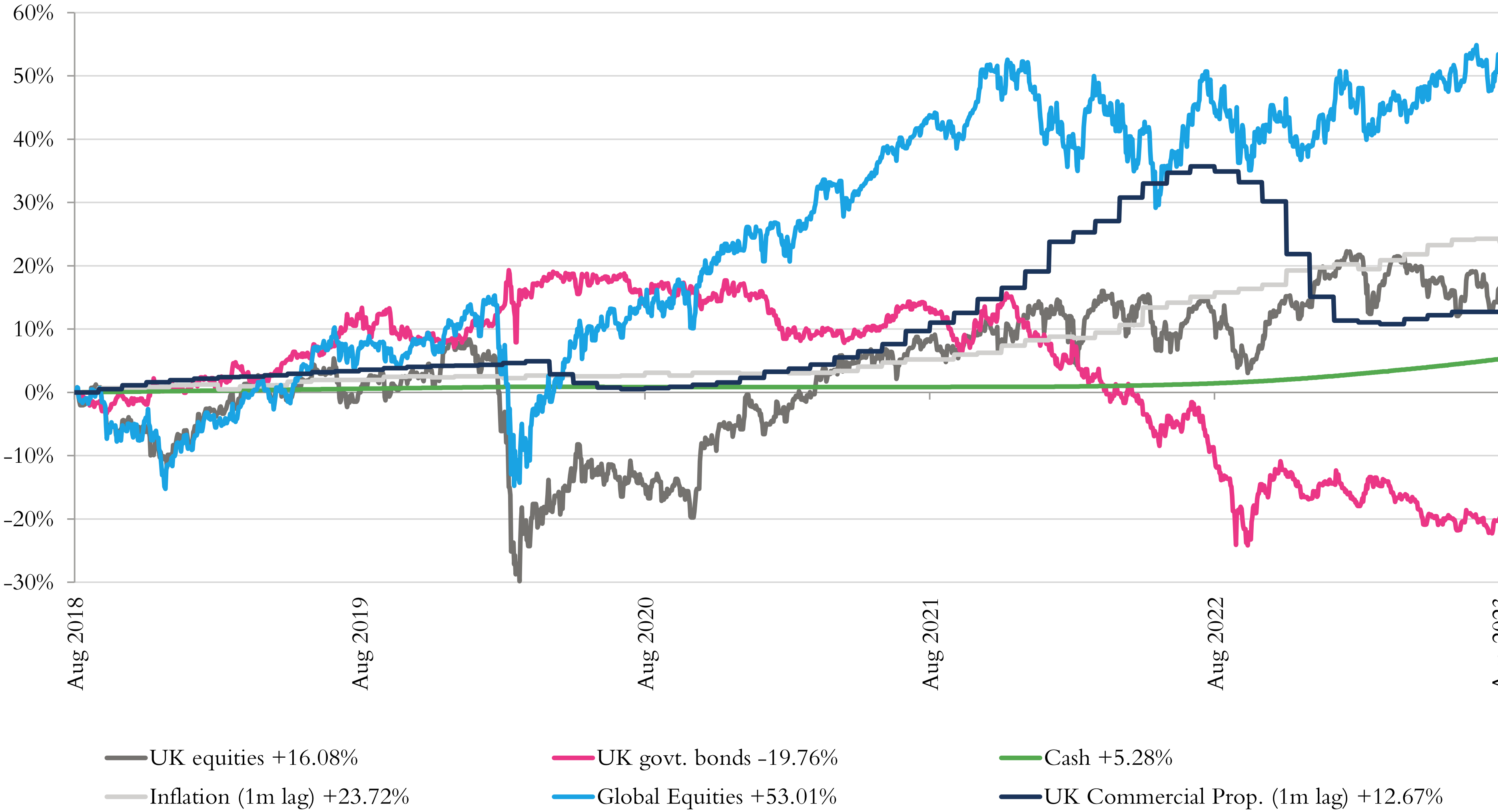

Source: Bloomberg as at 31 August 2023. Past performance is not a reliable indicator of future results.

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Equities

- The worst damage from rising yields is past
  - But markets will remain volatile
- Some companies will struggle to grow earnings
  - Especially those which are capital intensive, heavily indebted or have limited pricing power.

Bonds and cash

- Markets now present more attractive opportunities:
  - Meaningful yield from lower-risk asset classes
  - As interest rates peak, there is less risk to bond valuations.

Alternatives

- Valuations in alternative sectors
  like property and infrastructure are still under pressure from higher bond yields
  - Though for many assets, underlying cash flows and fundamentals remain strong.

Source: CCLA, as at August 2023. The market review, analysis, and any projections contained in this document represent the current house view and should not be relied upon to form the basis of any investment decisions.

Long term investment objective

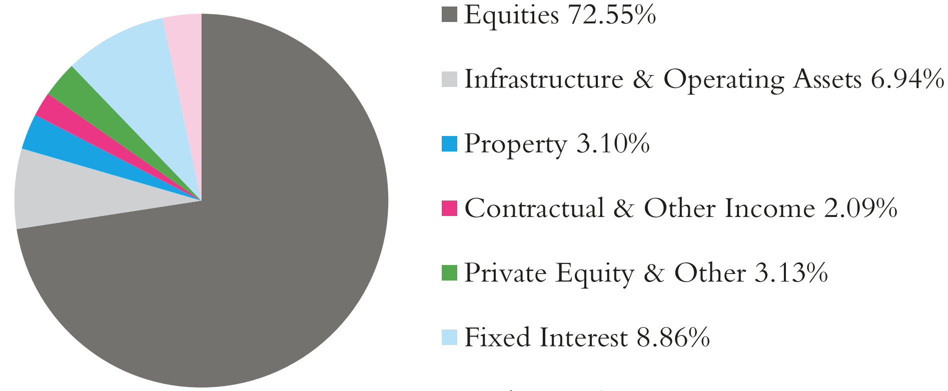
- To provide a long-term total return comprising growth in both capital and income
    - Benchmark: long term total return of inflation (CPI) plus 5% per annum before costs

We also aim to deliver:

- Volatility of total return (risk) significantly below that of the equity market
- From within total return, an income distribution (dividend) which is reliable from year to year and rises progressively over time

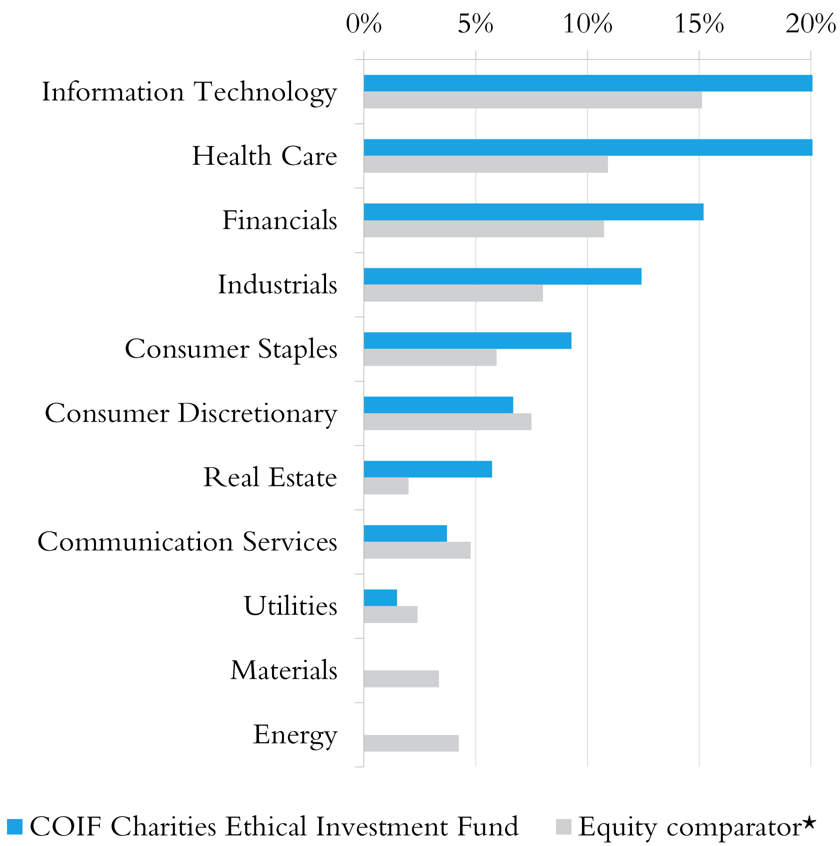
- A multi-asset, long-term fund suitable for eligible charity investors
- Seeks to provide highly diversified and well-balanced spread of investments
- Managed to meet clear ethical and responsible investment standards
- Use of alternative asset types providing contractual cashflows
- Fund size: £2,060m

Asset allocation

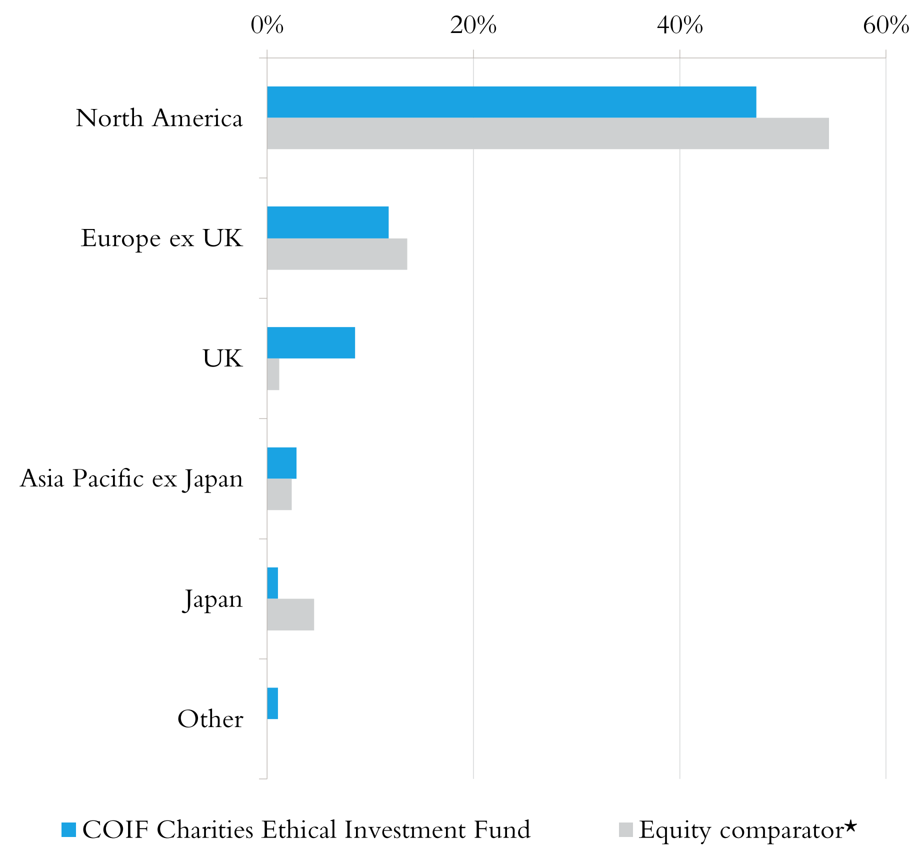


Source: CCLA, as at 30 June 2023. Asset allocation is subject to change.
Infrastructure and operating assets refers to investments that facilitate the functioning of society with the potential for steady cash flows (e.g. energy-related and social). Contractual assets refers to investments that generate contracted cash flows over a specific period and are typically secured against assets.

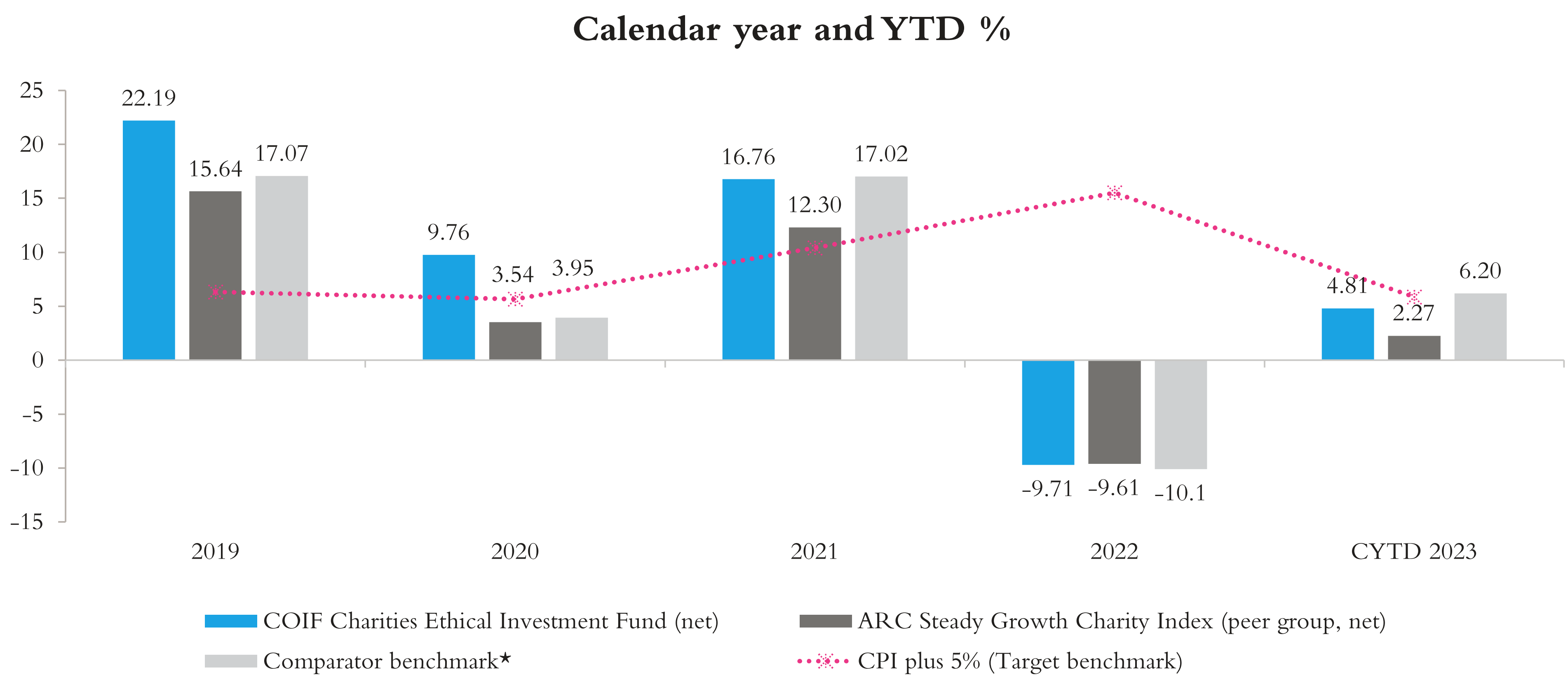
By equity sector (% of total portfolio)



By equity region (% of total portfolio)

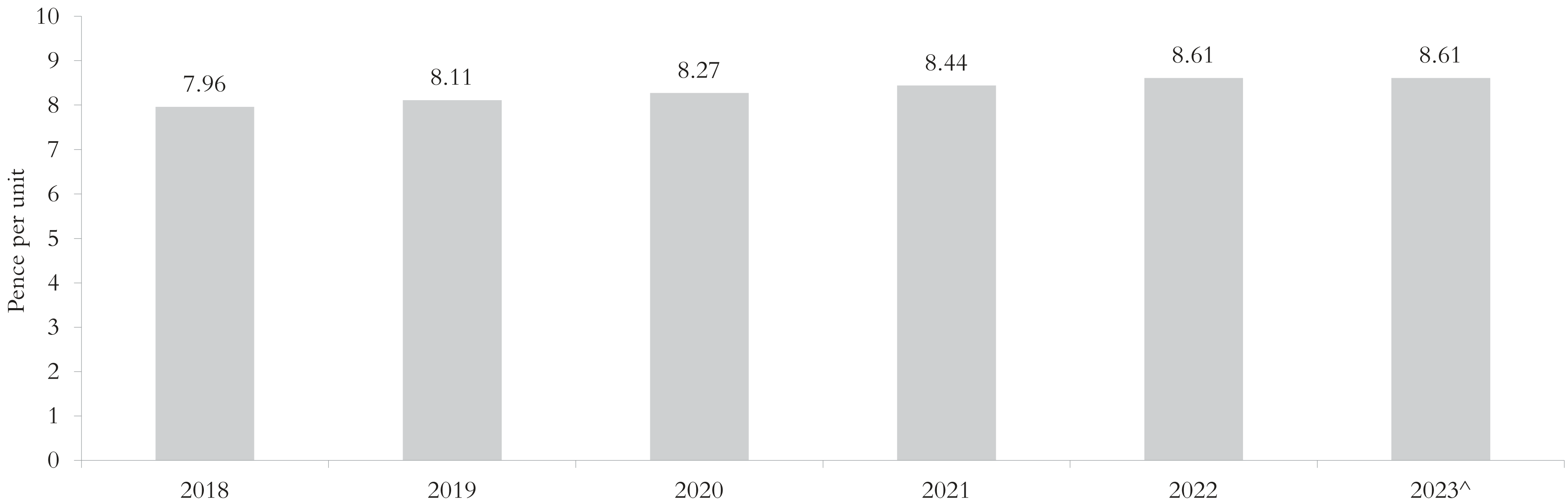


Source CCLA as at 30 June 2023.
*Equity comparator – MSCI World Index, 75%.
Sector and regional allocation are subject to change.



Source: CCLA, as at 30 June 2023. *Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%). The comparator benchmark is subject to change. Please refer to detailed description in the appendix. Total return performance is shown net of management fees and expenses on a mid price basis with gross income reinvested. Past performance is not a reliable indicator of future returns.

Historical and Projected Annual Distribution



Current yield 3.04%*

Source: CCLA as at 30 June 2023. ^Projected annual distribution. Projections for annual distribution is subject to change. *Based upon mid-market price as at 30 June 2023 and a projected annual distribution of 8.61p per unit. Forecast income yields are not guaranteed. Past distribution is not a reliable indicator of future results.

REFERENCE MATERIAL

Our framework for Good Investment is built on over 60 years' experience of investing responsibly on behalf of our charity, church and local authority clients

Healthy markets require healthy communities and a healthy planet

ACT
for change

Changing regulation, legislation and consumer choice will harm unsustainable business

ASSESS
the fundamentals

We are the guardians, not the owners of the assets that we manage

ALIGN
with clients

> Beyond portfolio composition, focused on catalysing lasting, real-world, systemic change

We are the guardians, not the owners, of the assets we manage. So, we seek to align our portfolios with the values of our clients. We address this by:

Consulting our clients

- Formal client consultation every three or four years
- Ongoing discussion with clients to ensure policies remain relevant
- Advisory Committees and Trustee Boards to oversee our activities

Implementing 'values-based' restrictions

- Fund specific 'values-based' restrictions to avoid investment in activities proscribed by clients
- Objective data provided by third parties to assess companies' compliance
- Rules integrated into our order management system

Being transparent

- Annual Sustainability Outcomes Report
- Quarterly updates on our sustainability approach
- Portfolio holdings published on our website (with 6-month delay)

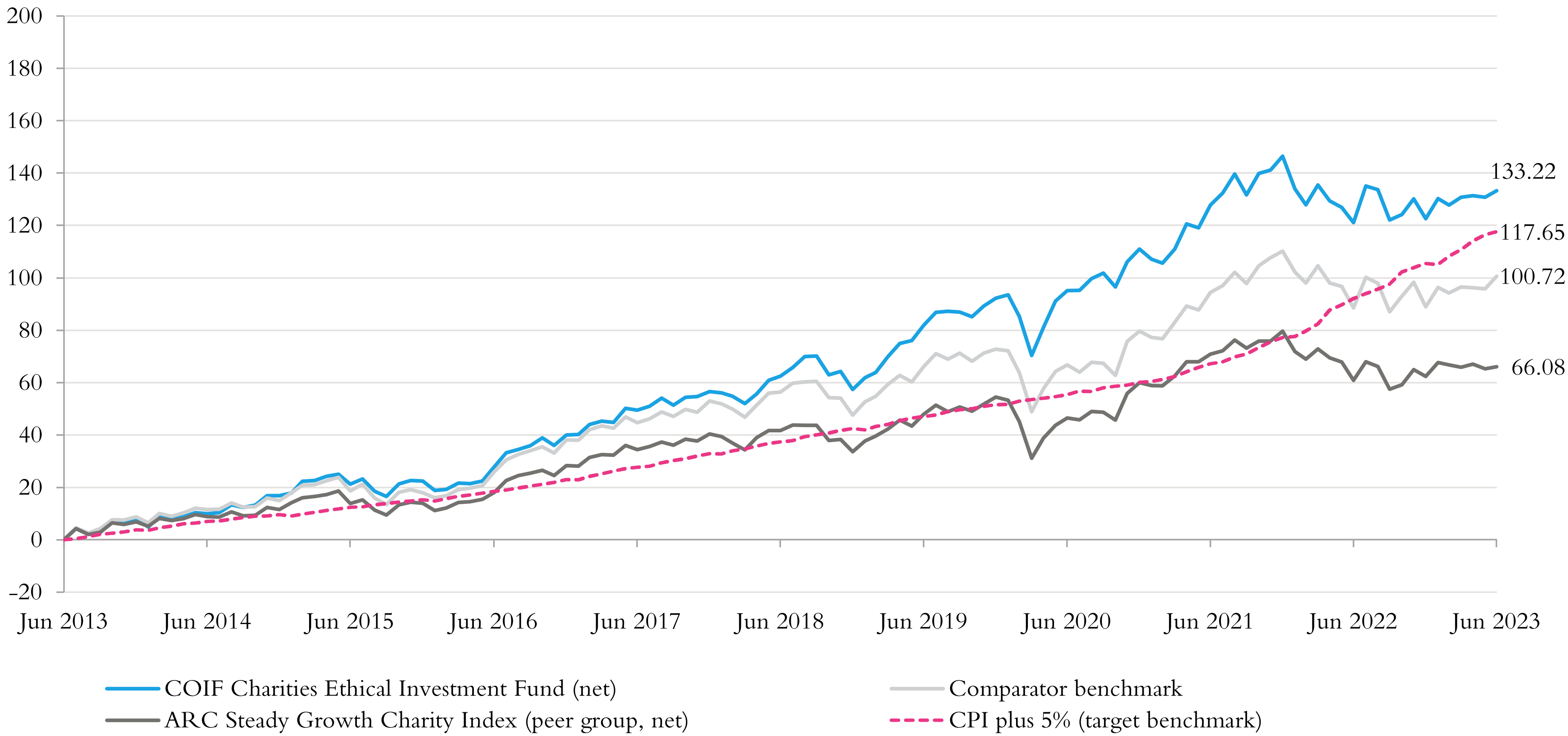
> By investing in a way that is aligned with our clients we are better able to meet their needs

The COIF Charities Ethical Investment Fund is managed in accordance with an ethical investment policy that is set through consultation with unitholders. This requires CCLA to dedicate capital to positive investments, engage with companies to achieve positive changes in business practice and implement the following ethical restrictions.

Theme	Further details	COIF Charities Ethical Investment Fund
Climate change	Oil and gas	≥10% revenue from oil and gas extraction, refining or production
	Thermal coal	≥5% revenue from thermal coal extraction
	Oil/tar sands	≥5% revenue from oil/tar sands extraction
	Any high carbon business	Where CCLA does not believe meaningful engagement is possible
	Electrical utilities	Electricity generators that have not demonstrated the ability to align their business with the Paris Climate Change Agreement (as determined by CCLA)
Armaments	Strategic military sales	≥10% revenue from strategic military sales
	Civilian firearms	≥10% revenue from civilian firearms
	Nuclear weapons	Production of whole systems and all strategic parts
	Indiscriminate weaponry	Production of landmines, cluster munitions, chemical or biological weapons
Tobacco		≥10% revenue from production, distribution, retail and licensing of tobacco
Alcohol		≥10% revenue from production, distribution, retail and licensing of alcohol
Adult entertainment		≥10% revenue from production, distribution and retail of adult entertainment
Gambling		≥10% revenue from gambling operations, licensing and servicing
High interest rate lending		≥10% revenue from high interest rate lending
Sanctity of life		Producers of single use abortifacients
Animal testing		Companies involved in animal testing without positive indicators (specific sectors)
Breast milk substitutes (BMS)		Does not meet CCLA's minimum standard using Access to Nutrition Initiative BMS/CF index scores
ESG minimum standards		All securities rated ESG 'B' or below by MSCI require Investment Committee approval
Oppressive regimes		The fund will not purchase sovereign debt from countries identified by CCLA and the Advisory Committee as being among the world's most oppressive*
Controversies		Companies in breach of the UN Global Compact and MSCI most severe controversies (Investment Committee approval and/or time limited engagement)

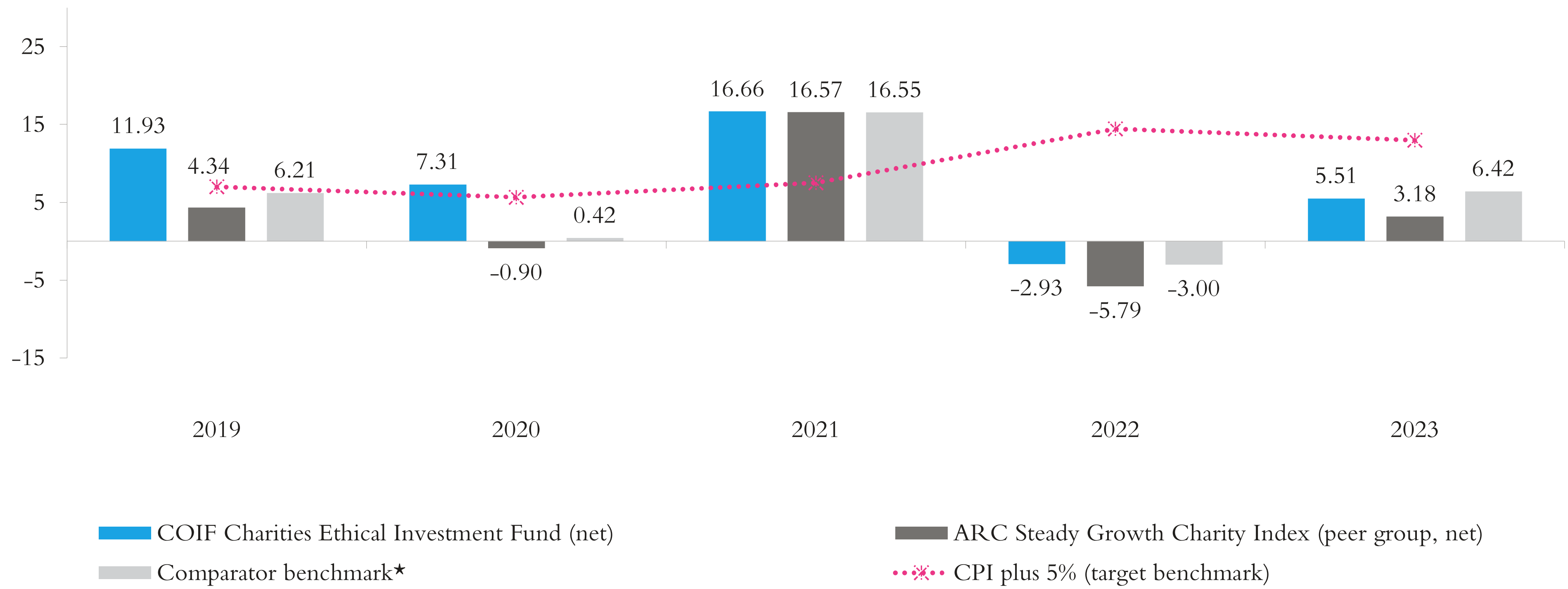
Source: CCLA. The majority of ethical restrictions are applied through standard and bespoke data feeds provided by MSCI. *Corruption Perception Index from Transparency International, the Freedom in the World 2019 from the Freedom House, the Stockholm International Peace Research Institute for data on UN and EU embargoes, and the Global Restriction Index from the PEW Institute.

10-year net cumulative performance (%)



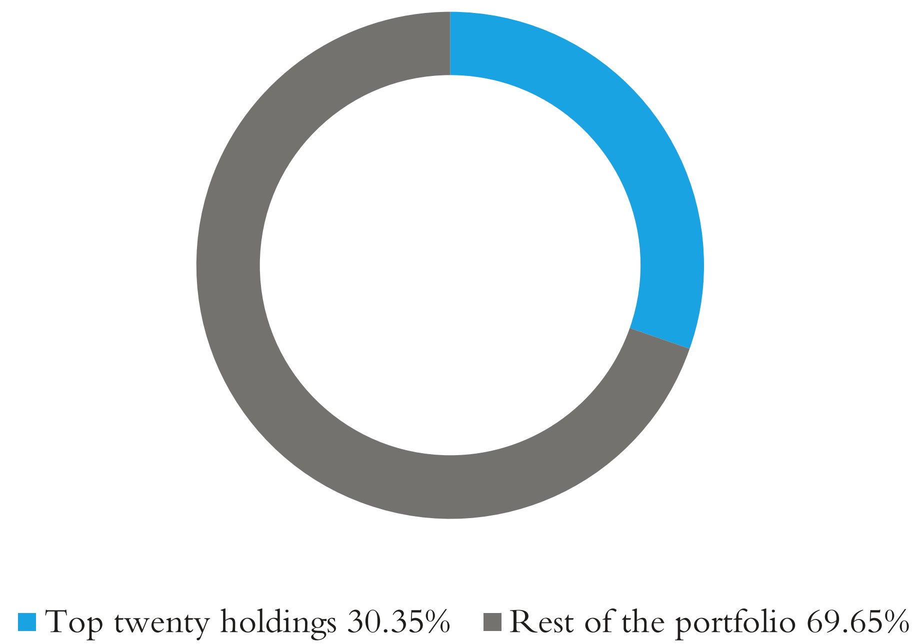
Source: CCLA, as at 30 June 2023. *Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%). The comparator benchmark is subject to change. Please refer to detailed description in the appendix. Total return performance is shown net of management fees and expenses on a mid price basis with gross income reinvested. Past performance is not a reliable indicator of future returns.

Discrete year total return performance %
12 months to 30 June



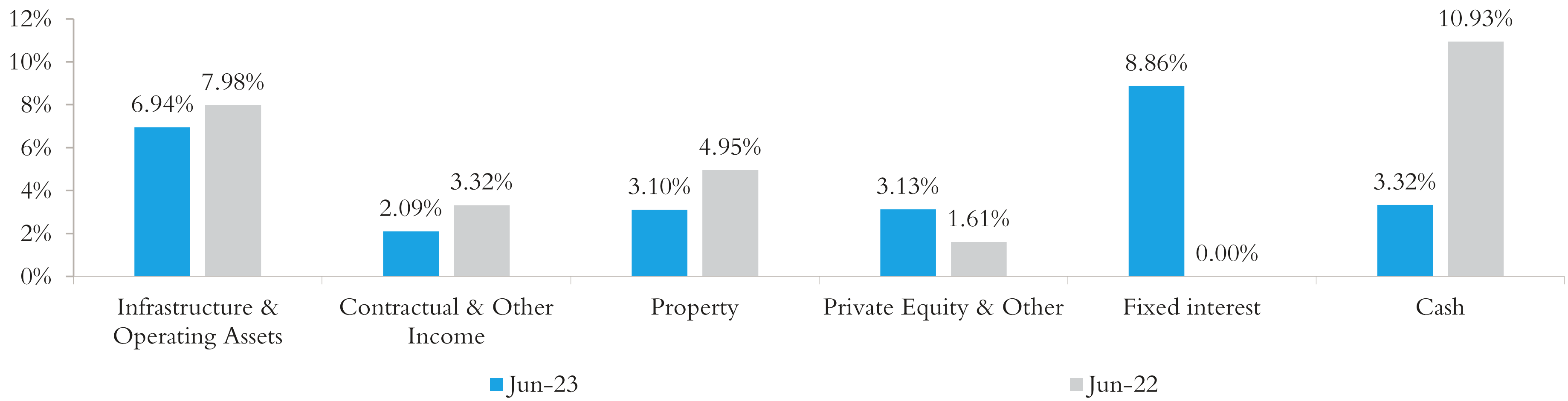
Source: CCLA, as at 30 June 2023. *Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%). The comparator benchmark is subject to change. Please refer to detailed description in the appendix. Total return performance is shown net of management fees and expenses on a mid-price basis with gross income reinvested. Past performance is not a reliable indicator of future returns.

Security	Portfolio weight %
UK Treasury Gilt 3.25% 22/01/2044	3.02%
UK Treasury 4.5% 07/12/2042	2.97%
COIF Charities Property Fund	2.77%
Microsoft	2.17%
COIF Charities Fixed Interest Fund	1.95%
Amazon	1.36%
S and P Global	1.26%
Adobe	1.25%
Intercontinental Exchange	1.24%
Unitedhealth	1.23%
Alphabet	1.20%
Transunion	1.18%
Visa	1.16%
Icon	1.14%
Relx	1.12%
Intuit	1.11%
Roper Technologies Inc	1.08%
Edward Lifesciences	1.06%
Stryker	1.05%
London Stock Exchange	1.03%



Source: CCLA, as at 30 June 2023. Holdings are subject to change.

Changes in non-equity asset allocation



- The allocation to infrastructure decreased during the period as we trimmed alternatives to build a position in fixed interest. Within infrastructure we are biased towards funds with high-inflation linkage and an active approach to generating value from projects.
- The reduction to the contractual income allocation reflects the fall in value of music royalty fund share prices and trimming holdings.
- The property allocation fell slightly, reflecting weakness across the logistic focused REITs due to concerns around higher borrowing costs. We also trimmed the COIF Charities Property Fund.
- We increased private equity exposure over the period in response to attractive valuation opportunities.
- The most notable change over the course of 2022 was the introduction of a fixed interest allocation. This was initiated in September response to the sharp rise in bond yields and improved prospective returns.
- The cash level was reduced to increase exposure to both equities and fixed interest investments.

Source: CCLA, as at 30 June 2023. Asset allocation is subject to change.
Infrastructure and operating assets refers to investments that facilitate the functioning of society with the potential for steady cash flows (e.g., energy-related and social). Contractual assets refers to investments that generate contracted cash flows over a specific period and are typically secured against assets.

COIF Charities Ethical Investment Fund	**Cost % p.a.**
Annual management charge (AMC)	0.60
Other expenses	0.08
Fund management fee (FMF)	**0.68**
Costs of underlying investments	0.20
Total ongoing charges figure (OCF)	**0.88**

The ongoing charges figure (OCF) shows the total annual operating costs taken from the fund. The OCF is the sum of two components: these are the fund management fee (FMF) and the cost of underlying investments.

The FMF includes CCLA's annual management charge (AMC), VAT payable thereon where applicable (including any VAT reclaims received during the accounting period that the FMF is based on), and other costs and expenses of operating and administering the fund such as trustee/depositary, audit, custody, legal, regulatory and professional fees, and may include other charges such as Fitch Rating fees if applicable.

The underlying investments' costs are the impact to the fund of costs incurred in other funds or similar investments (e.g. investment trusts, limited liability partnerships) in which the CCLA fund invests.

The OCF does not include the fund's transaction costs (i.e. the costs of buying and selling the underlying investments in a fund). For more information on costs, including transaction costs, please refer to the fund's key information document.

CCLA's multi-asset funds are actively managed to achieve their target benchmark (over time, they aim to achieve an average total return before costs of inflation, as measured by the Consumer Price Index, plus 5%).

To give our clients insight into the progress of their investments over shorter periods we have created the market comparator. This is not a formal target or a constraining benchmark but is intended as a reasonable guide to how the total return of the actively managed funds differs from that of more passive portfolios. It is based on established investment market indices, weighted in proportions which reflect the return objectives of the fund.

To keep the information relevant the comparator benchmark is adjusted from time to time to reflect changes in long term return expectations and any structural changes in the fund. These alterations are reviewed and approved by the COIF board before they are implemented.

- Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%).
- Comparator benchmark detail and history are as follows:
- From: 1.1.2021: MSCI World Index 75%; MSCI UK Monthly Property Index, 5%; Markit iBoxx £ Gilts Index, 15% and SONIA (Sterling Overnight Index Average), 5%.
- From 1.1.18 to 31.12.2020: MSCI World ex UK Index, 45%; MSCI UK Investable Market Index, 30%; MSCI UK Monthly Property Index, 5%; Markit iBoxx £ Gilts Index, 15% and 7-day LIBID, 5%.
- From 1.1.16 to 31.12.17: MSCI UK Investable Market Index, 45%; MSCI Europe ex UK Index, 10%; MSCI North America Index,10%; MSCI Pacific Index, 10%; IPD UK All Property Index, 5%; Markit iBoxx £ Gilts Index, 15% and 7-day LIBID, 5%.
- From 01.01.12 to 31.12.2015 MSCI UK All Cap 45%, MSCI Europe Ex UK (50% Hedged) 10%, MSCI North America (50% Hedged) 10%, MSCI Pacific (50% Hedged) 10%, IPD All Property Index 5%, BarCap Gilt 15% & 7 Day LIBID 5%.

There is no initial charge. Annual management expenses (accrued daily, paid monthly) due to CCLA on the COIF Charity Funds are deducted before declaration of dividends and interest. The expenses of the Investment Fund, Global Equity Income Fund and Property Fund are taken from capital. The expenses of the Fixed Income Securities Fund and the Deposit Fund are taken from income. Fund charges applied to capital may result in capital erosion.

Holdings in the Investment Fund, Global Equity Income Fund and the Fixed Interest Securities Fund are valued at the mid market price. Holdings in the Property Fund are valued based on the net asset value of a share.

Please note that income yields or forecast annual income is not guaranteed and can change over time due to changes in fund constituents, interest rates and the average maturity date of the securities held by a fund. The income yield on the Fixed Interest Fund is an indication of the expected level of income.

This document is a financial promotion and is for information only. It does not provide financial, investment or other professional advice.

To make sure you understand whether our product is suitable for you, please read the key information document and the scheme particulars and consider the risk factors identified in those documents. We strongly recommend you get independent professional advice before investing.

Past performance is not a reliable indicator of future results. The value of investments and the income from them may fall as well as rise. You may not get back the amount you originally invested and may lose money.

The fund can invest in different currencies. Changes in exchange rates will therefore affect the value of your investment. Investing in emerging markets involves a greater risk of loss as such investments can be more sensitive to political and economic conditions than developed markets. The annual management charge is paid from capital (except for the Fixed Interest Fund). Where charges are taken from capital rather than income, capital growth will be constrained and there is a risk of capital loss.
Any forward-looking statements are based on our current opinions, expectations, and projections. We do not have to update or amend these. Actual results could be significantly different than expected.

Investment in a CCLA COIF Charities fund is only available to charities within the meaning of section 1(1) of the Charities Act 2011. The CCLA COIF Charities funds are approved by the Charity Commission as Common Investment Funds under section 24 of the Charities Act 1993 (as has been replaced by the Charities Act 2011) and are Unregulated Collective Investment Schemes and unauthorised Alternative Investment Funds.

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CCLA Fund Managers Limited (registered in England & Wales, No. 8735639, at One Angel Lane, London, EC4R 3AB) is authorised and regulated by the Financial Conduct Authority and is the manager of the COIF Charities funds (registered charity numbers 218873, 803610, 1093084, 1121433 and 1132054).

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