

MANAGING YOUR INVESTMENT PORTFOLIO

**CWM TAF NHS
GENERAL CHARITABLE FUND**

Antonia Cavalier, Client Relationship Manager

28th November 2019

CCLA

- CCLA is a leading manager of charity assets in the UK
- We allocate all our resources to the needs of the sector
- We are owned by our clients
- Ethical and responsible investment is at the heart of what we do
- We offer segregated and pooled management to our clients

Holdings	Market Value	Income yield	Forecast Annual Income
COIF Charities Ethical Investment Fund	£1,994,850	3.18%	£63,526
Total portfolio	£1,994,850	3.18%	£63,526

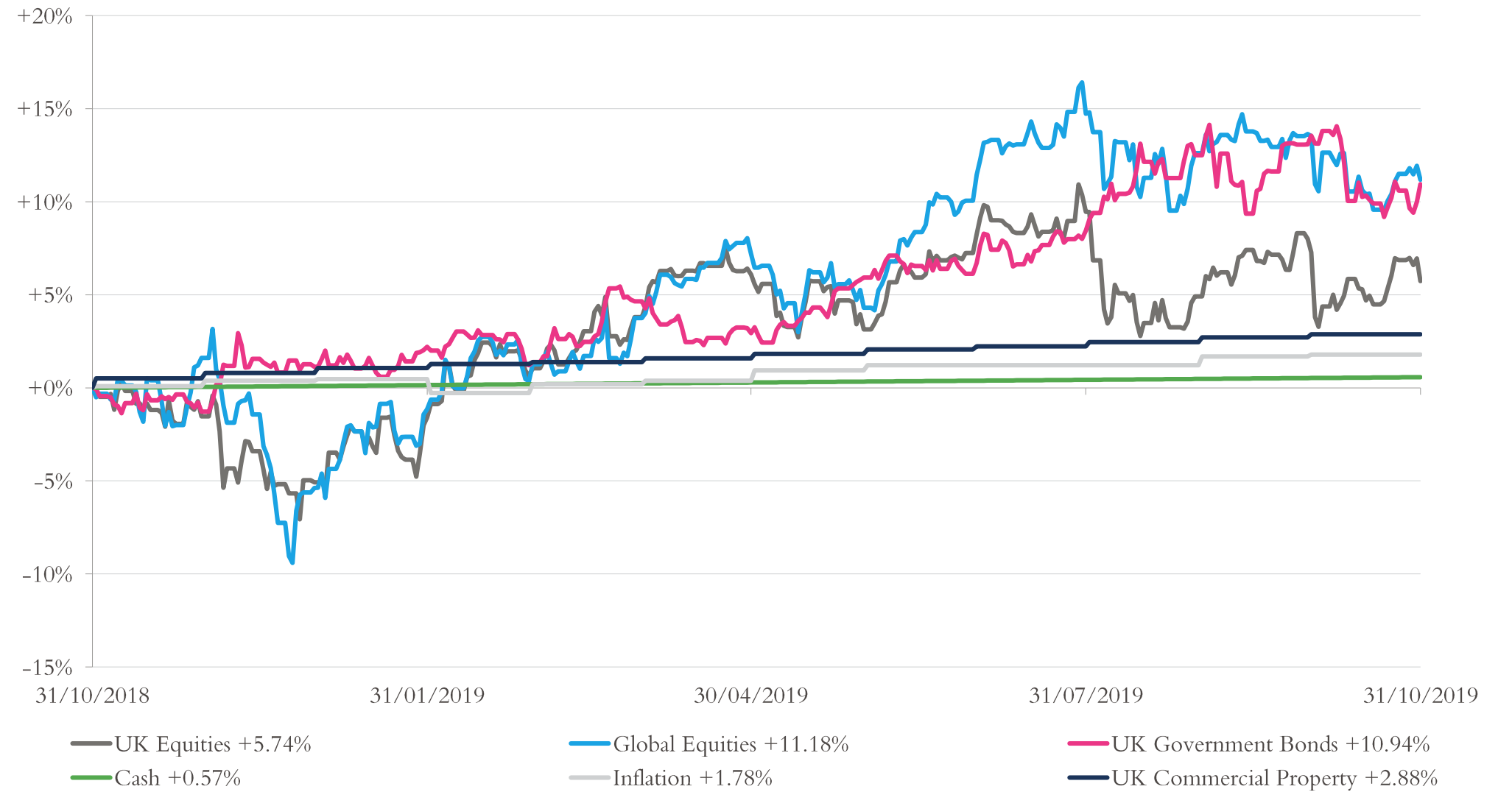
Annual income figures from long-term Funds are based on current Fund share holdings and forecast dividends declared per Fund share in calendar year 2019.

Annual income figures for COIF Charities Deposit Fund balances are based on the current declared interest rate which is subject to change.

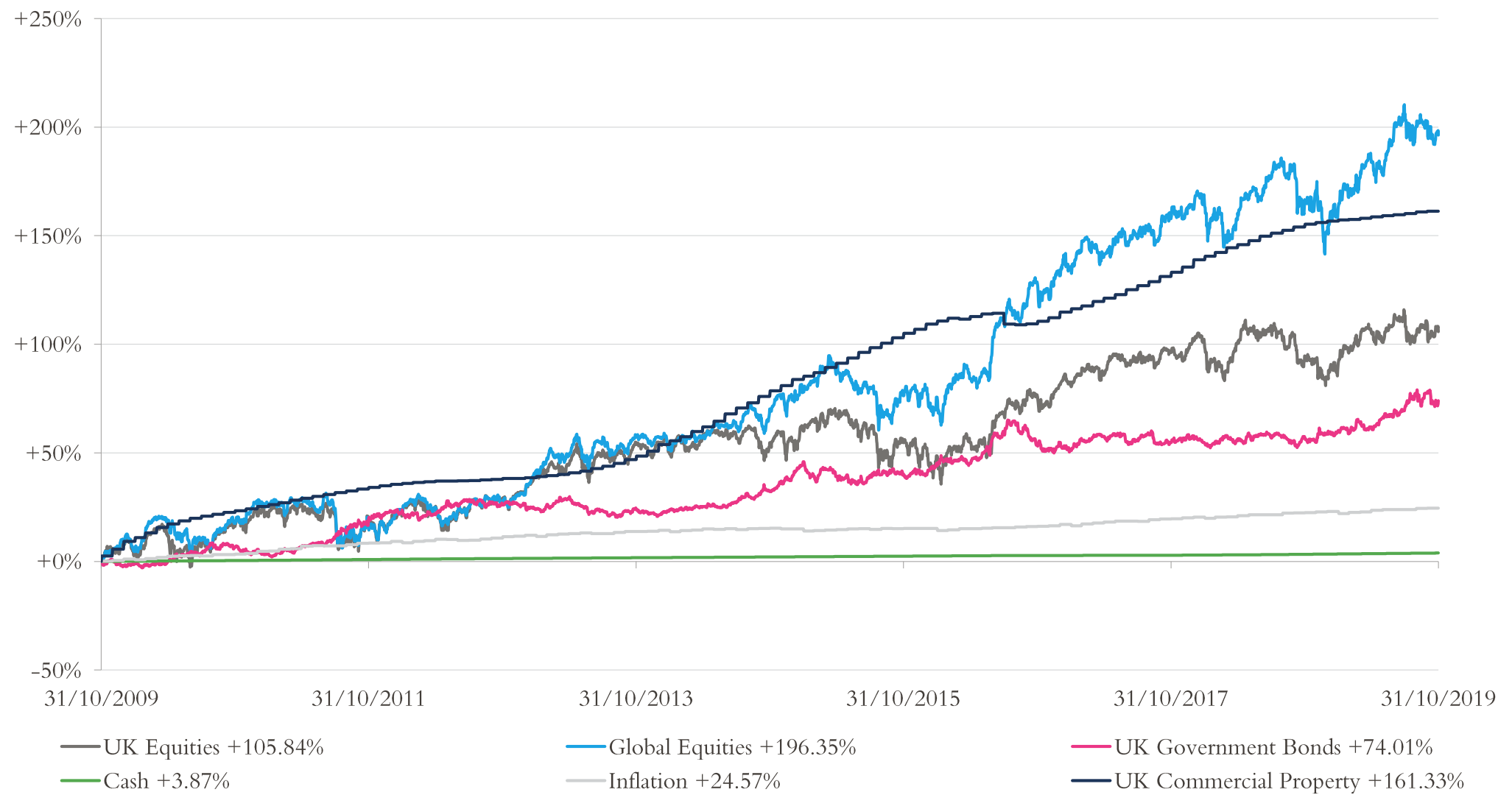
Please note that this portfolio valuation is not intended for audit purposes.

Please see valuation risk warning at the end of this presentation.

Source CCLA as at 21 November 2019



Source: Bloomberg as at 31 October 2019



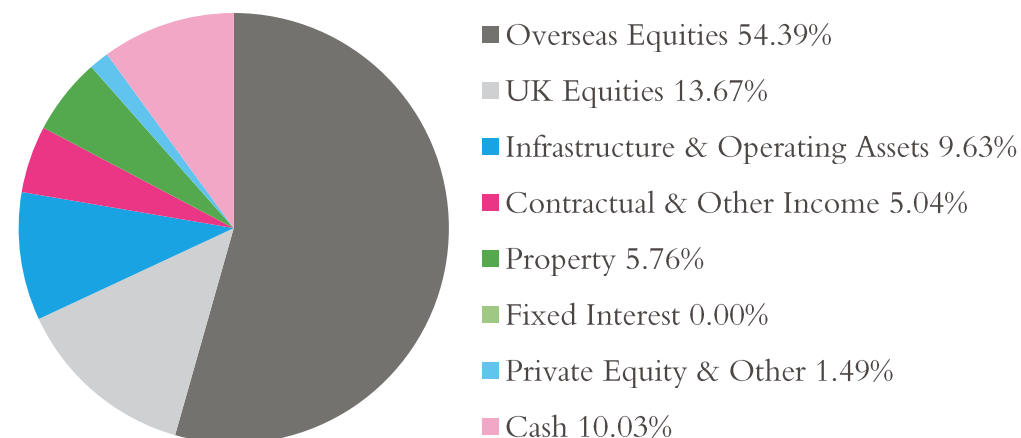
Source: Bloomberg as at 31 October 2019

Long-term investment objective

- Over the long term to achieve an average annual total return of inflation plus 5%
- To provide as part of this return a reliable income stream that maintains its real value over time
- Control volatility to 75% of that of the UK equity market
- To avoid investment in tobacco companies, alcohol producers and companies with significant involvement in armaments, gambling and pornography.

- A multi-asset, long-term fund suitable for most charities
- Seeks to provide highly diversified and well balanced spread of investments
- Managed to meet clear ethical and responsible investment standards
- Current yield: 3.19%★
- Fund size: £897m

Asset Allocation



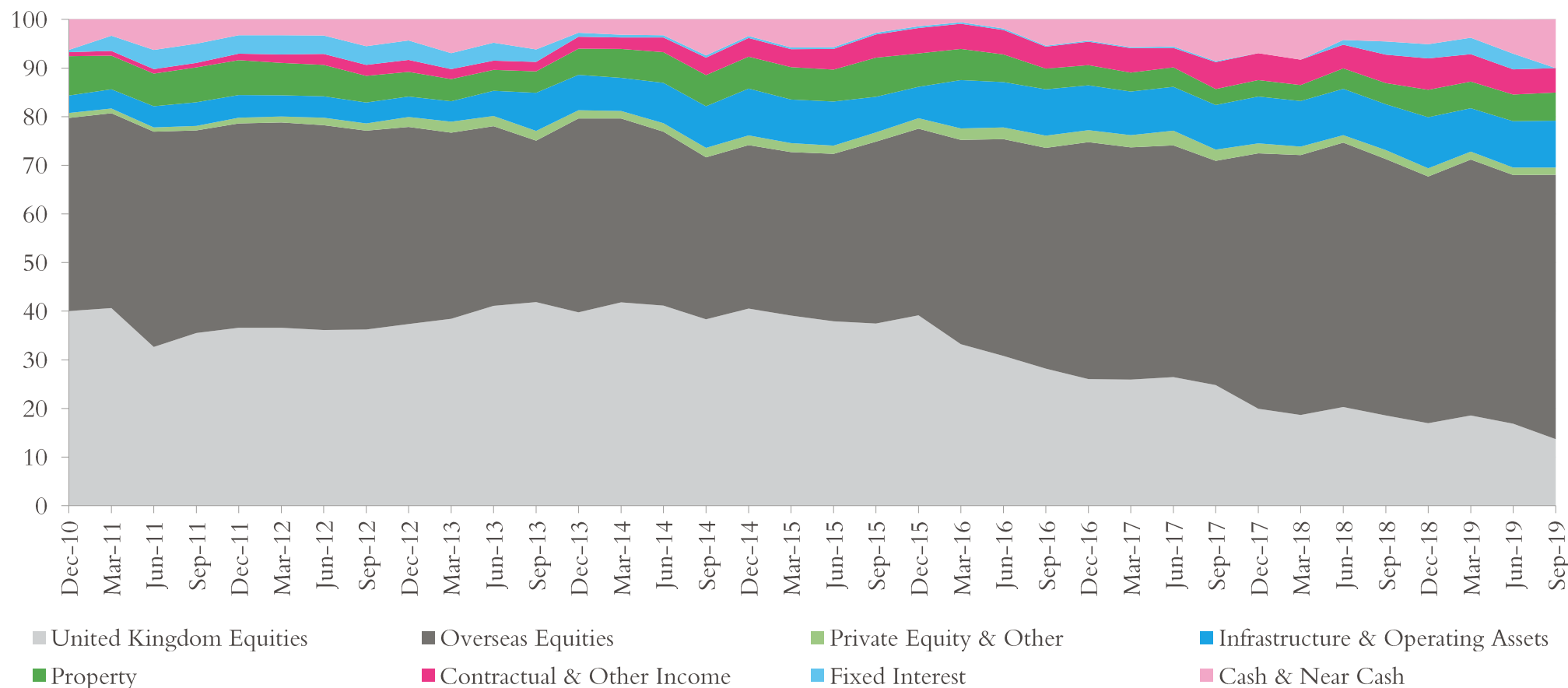
Overseas Equity	%
North America	36.44
Europe ex UK	10.74
Asia Pacific ex Japan	5.20
Japan	2.01
	54.39

Source CCLA as at 30 September 2019

★Based upon mid-market price as at 30 September 2019 and a projected annual distribution of 8.11p per unit.

Asset allocation is subject to change.

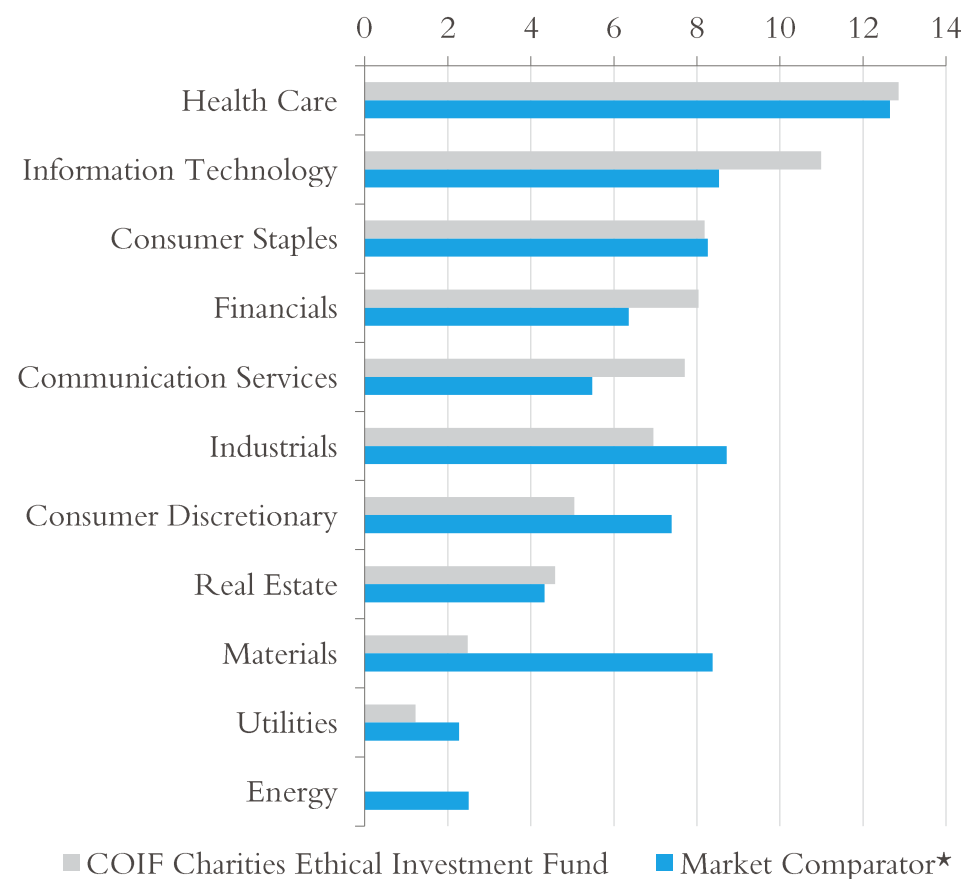
Asset Allocation since December 2010



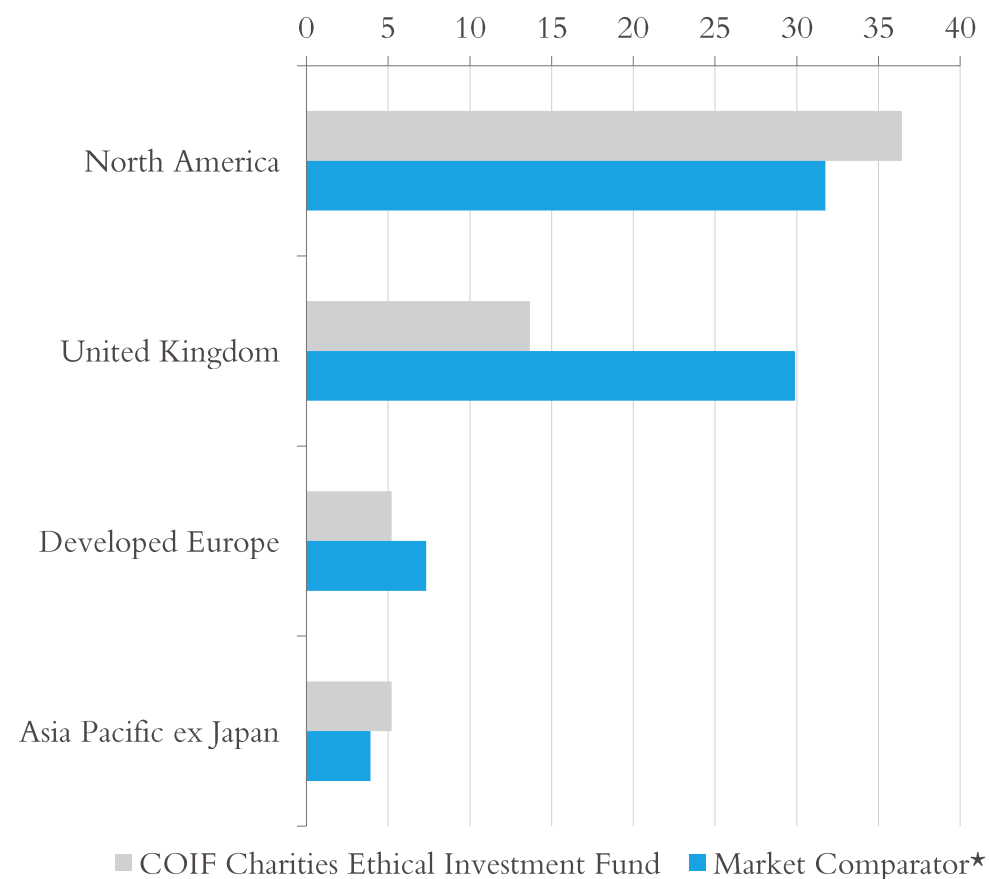
Asset class	Min since 2010	Max since 2010	Asset class	Min since 2010	Max since 2010
United Kingdom Equities	13.67	41.89	Real Estate	3.27	8.09
Overseas Equities	33.17	54.39	Contractual & Other Income	0.79	6.46
Private Equity & Other	0.89	3.02	Fixed Interest	0.00	4.02
Infrastructure & Operating Assets	3.63	10.54	Cash & Near Cash	0.60	10.03

Source: CCLA as at 30 September 2019

Equity Sector Allocation (%)



Equity Regional Allocation (%)



Source: CCLA as at 30 September 2019

*Comparator – Equity Composite: MSCI World ex UK Index, 45%; MSCI UK Investable Market Index, 30%

Sector and regional allocation are subject to change.

Gross annualised returns % as at 30 September 2019	1 year	3 years	5 years
COIF Charities Ethical Investment Fund	10.58	11.95	11.50
Market Comparator★	6.77	8.53	8.79
CPI plus 5% (Target Benchmark)	6.78	7.38	6.58
Net annualised returns % as at 30 September 2019	1 year	3 years	5 years
COIF Charities Ethical Investment Fund	9.83	11.22	10.72
ARC Steady Growth Charity Index (Peer Group)	4.90	6.31	6.67

Source: CCLA as at 30 September 2019

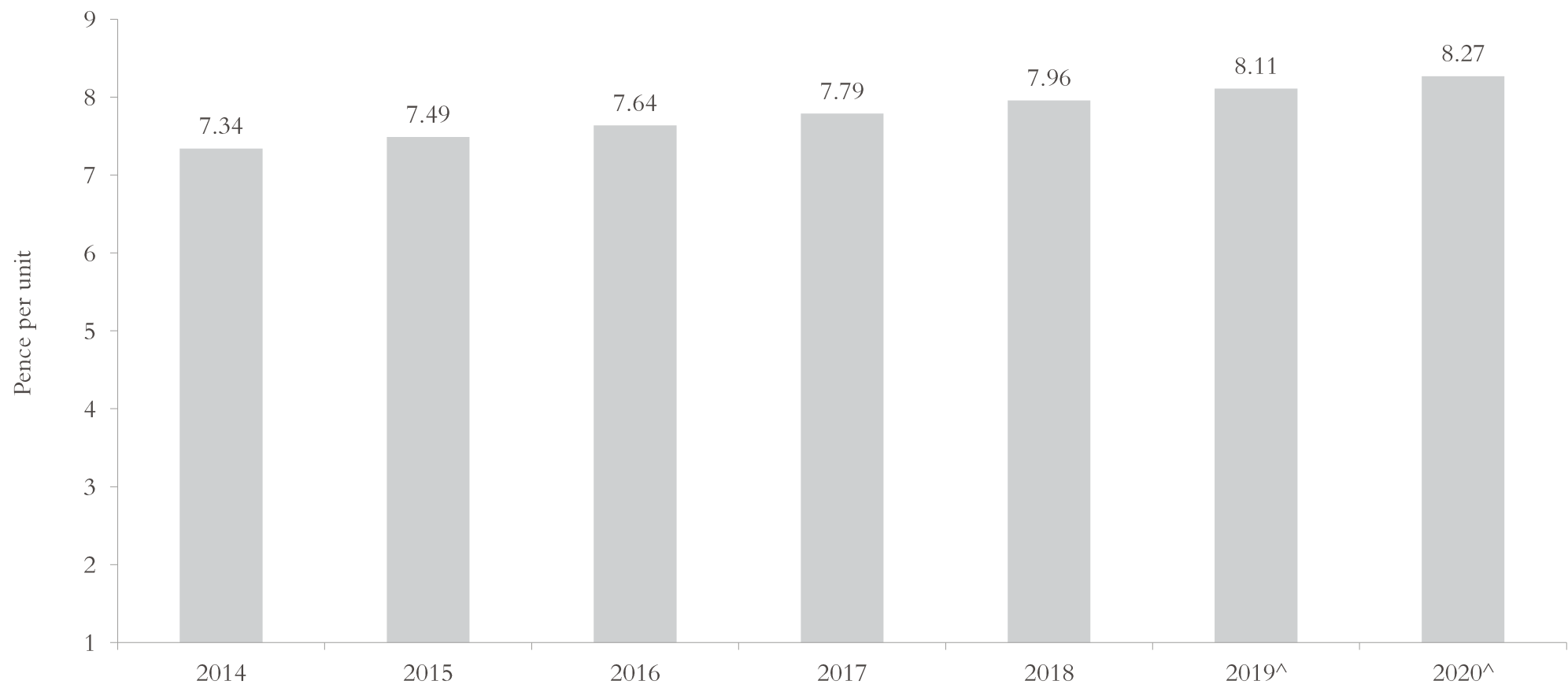
★Current market comparator (summary): 45% non-UK equities, 30% UK equities, 15% UK govt bonds (gilts), 5% UK commercial property, 5% cash.

For the Fund's total return objective (CPI + 5% p.a. on average) it is only possible to assess progress over a long time horizon such as the course of a business cycle, which may be ten years or more. The market comparator, which is not a target or a constraining benchmark, is intended to help investors understand the effects of the Fund's active management in different market circumstances, and to see how the Fund's returns vary in the shorter term from those that might be experienced by a more passive investor. The market comparator is subject to change. Please refer to detailed description in the appendix.

Total return performance is shown gross and net of management fees and expenses on a mid price basis.

Past performance is not a reliable indicator of future returns.

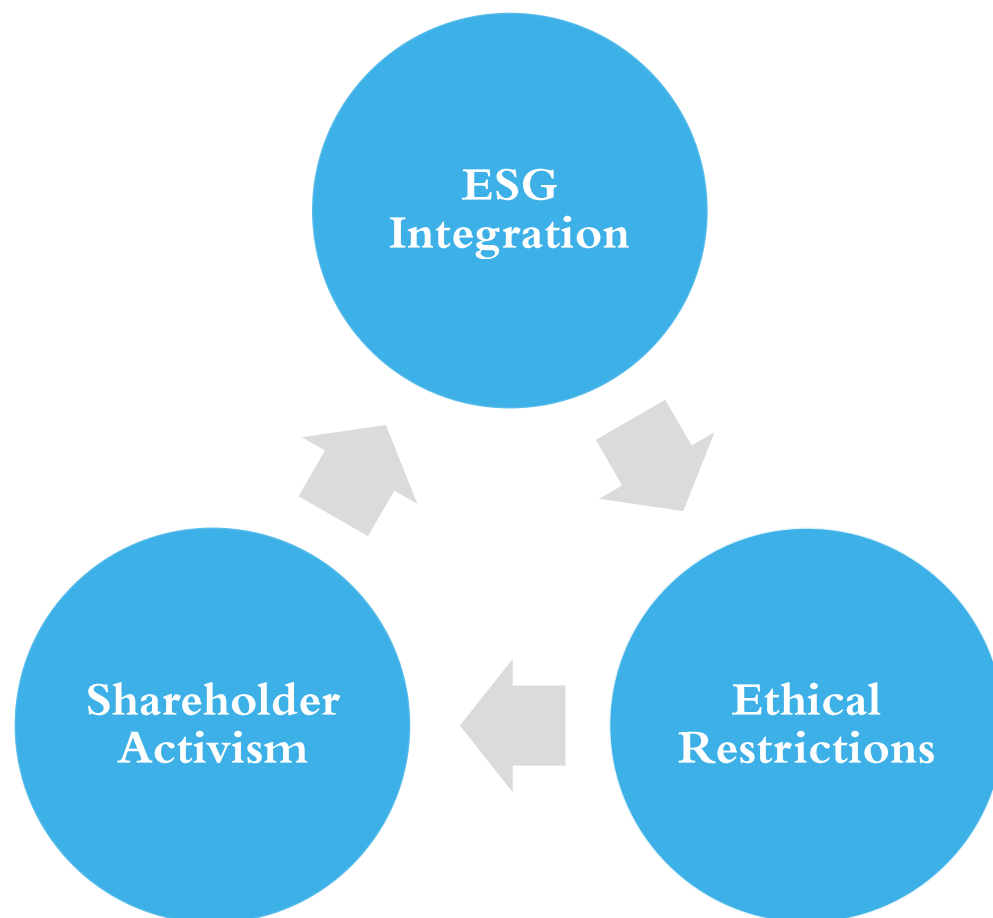
Historical and Projected Annual Distribution



Source: CCLA as at 31 December 2018

^Projected annual distribution

Past distributions are not a reliable indicator of future results.



- We integrate Environmental, Social and Governance factors into our investment process
- We seek to reflect our clients' values
 - We restrict investment in all areas identified in your negative screening criteria
- We seek to have a positive impact on the environment and society
 - Our engagement focusses on material issues like climate change and client priorities like addressing modern slavery
 - We seek to dedicate 5% of the Fund's capital to 'solution investments'

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	Ethical Investment Fund
Climate Change	Oil sands extraction	Companies that derive more than 5% of their revenue from the extraction of these fuels are restricted
	Energy coal extraction	
	Other 'Fossil Fuel' Extraction	Companies that derive more than 10% of their revenue from extracting and refining coal, oil or gas (from 1/12/2019)
	Electrical Utilities	No investment in companies that cannot align with the Paris NDCs
Armaments	Strategic military sales	Restricted if derive more than 10% of revenue from strategic military sales
	Civilian firearms	10% revenue restriction
	Nuclear Weapons, Landmines, cluster munitions	Investment prohibited if involved in the production of these weapons
Oppressive Regimes	Sovereign Debt	No debt from countries identified by the Ethical Fund Advisory Committee as being the most oppressive
Tobacco		10% revenue restriction
Alcohol		10% revenue restriction
Adult Entertainment		10% revenue restriction
Gambling		10% revenue restriction
Animal Testing	Testing of Cosmetics on Animals	Restricted if in priority sector and chooses to conduct testing on animals
High Interest Rate Lending		10% revenue restriction
Specific Client Restrictions	Production of single purpose abortifacients	Restricted if a producer of single-purpose abortifacient
	Baby Milk Substitutes	Minimum responsibility standards
ESG Minimum Standards	Score less than 2 on any FTSE ESG Theme	Comply/explain approach applies
Respecting International Norms	Substantiated allegations of non-conformity with recognised labour, human rights, biodiversity and climate change standards	Engagement that can lead to divestment if no progress is made
Third Party Funds	Screened Against Ethical Investment Criteria	

The majority of ethical restrictions are applied on a revenue basis through standard and bespoke data feeds provided by MSCI

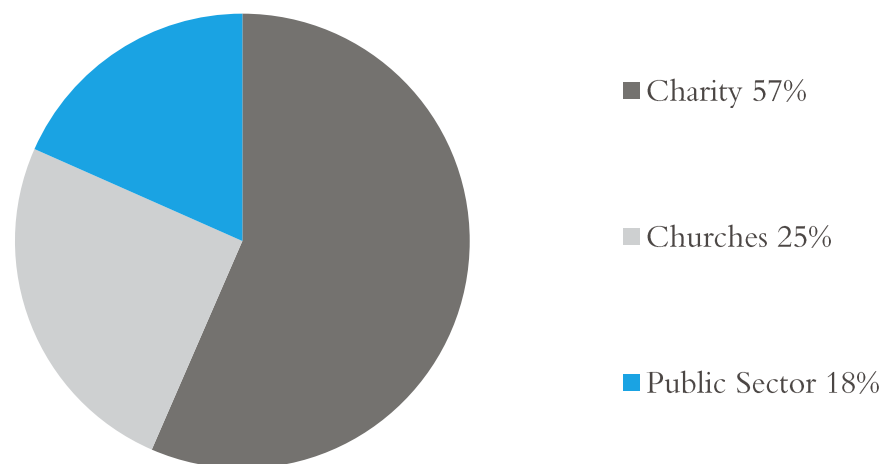
BACKGROUND

- World economic growth to moderate but no near term recession
- Monetary policy to become more accommodative
- Trade friction the main threat
- UK growth to remain low

MARKETS

- Further progress expected but risks are higher
- Focus on growth, avoid cyclical
- Fixed interest assets at extreme valuations
- Positive property returns but modest and sourced from income

£10bn assets under management



Client Type	AUM (£m)
Charity	£5,633
Churches	£2,502
Public Sector	£1,831
Total	£9,967

Source: CCLA as at 30 September 2019

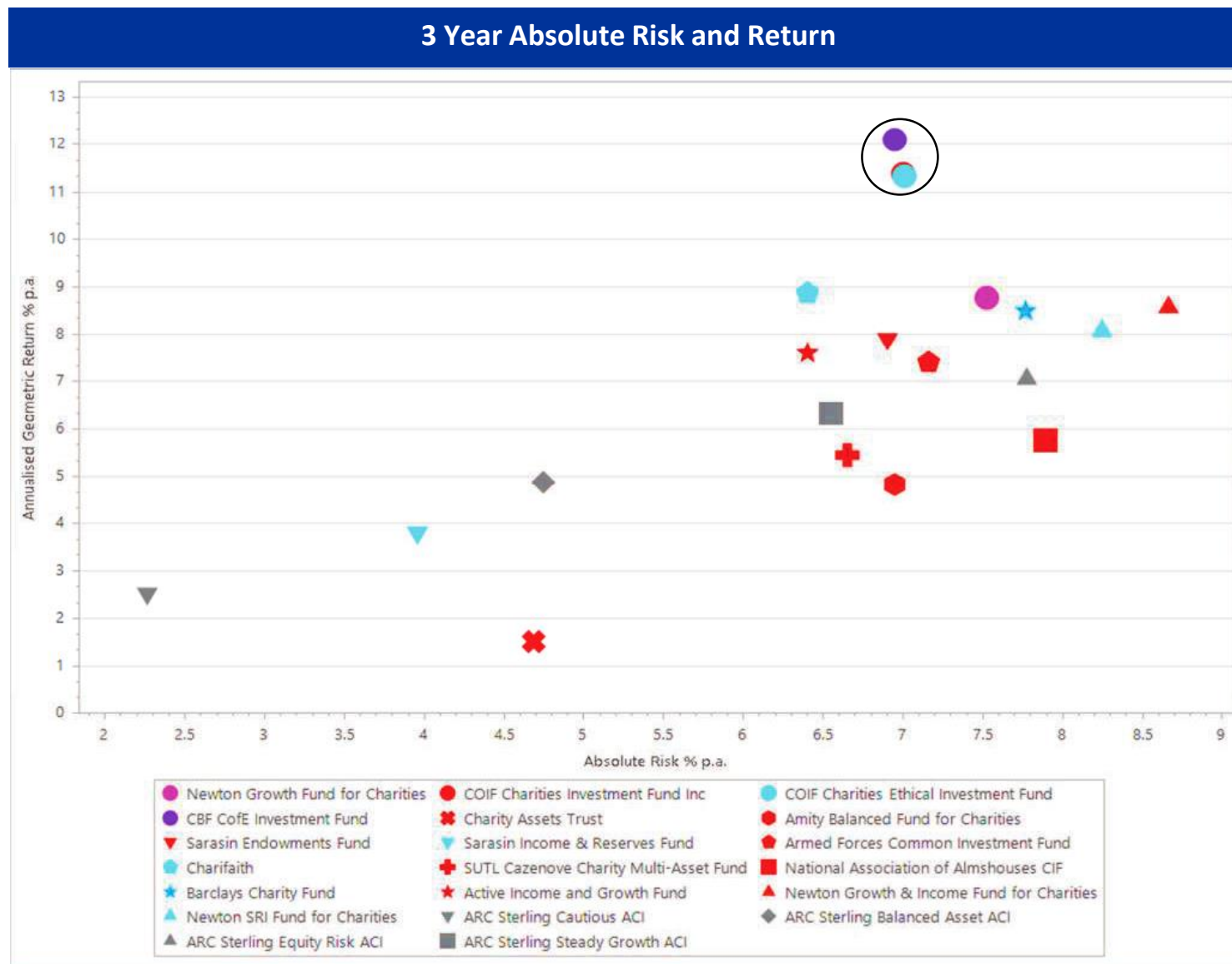
Service proposition

- Comprehensive information
- In person reporting to trustees
- Update on E&RI issues
- Program of events
 - Trustee training
 - Seminars and market briefings

Our commitment to you

- Our objectives are aligned with yours
 - We are owned by our clients
- A deep understanding of charity investment
 - Dedicated exclusively to not-for-profit investors for over 60 years

Appendices

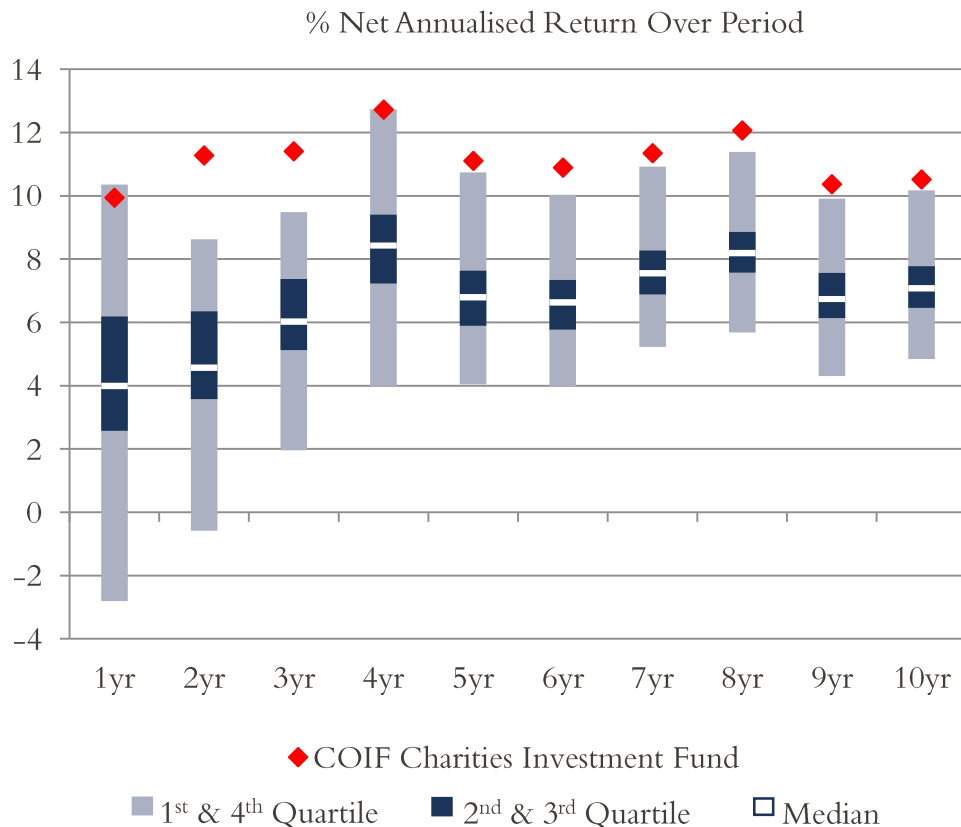


Source: Asset Risk Consultants Ltd as at 30 September 2019

Past performance is not a reliable indicator of future results.

Strong returns within an ethical framework

COIF Charities Investment Fund returns vs. a full peer group



Our multi-asset strategy has delivered:

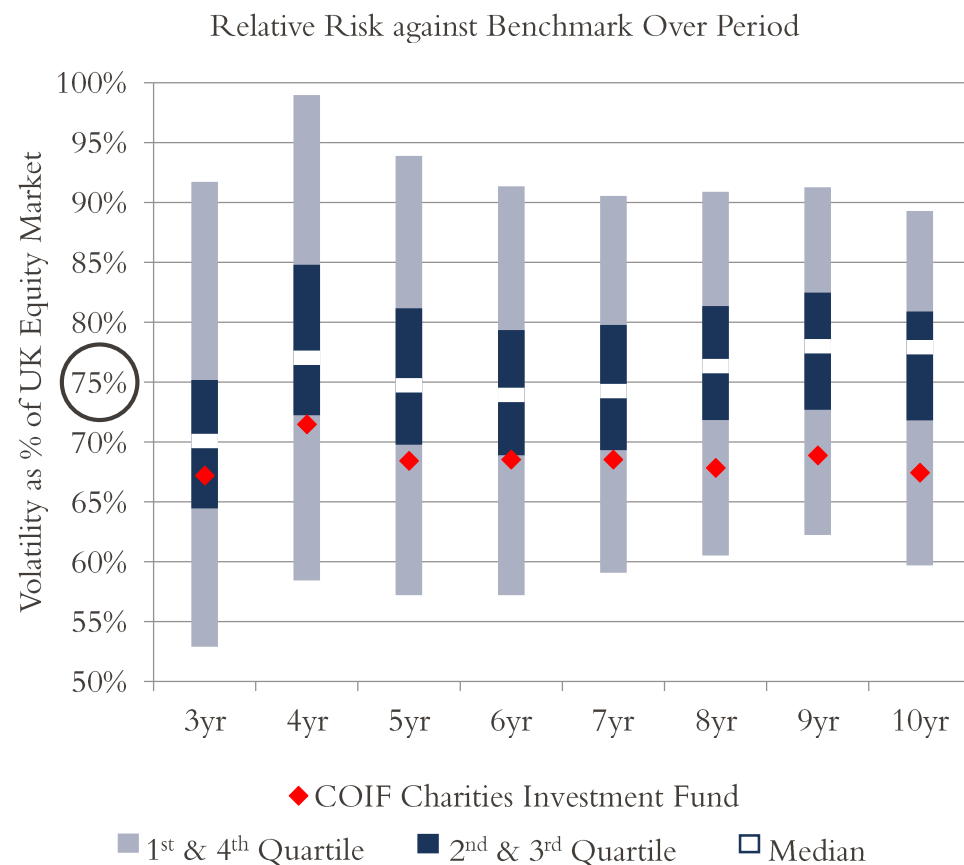
- Consistent and competitive returns, ahead of the median fund over multiple time periods

Source: Morningstar and CCLA as at 30 September 2019
 Peer group: Investment Association 40%-85% equities fund peer group.

Past performance is not a reliable indicator of future results.

We have met your performance objective...

COIF Charities Investment Fund returns vs. a full peer group



We have achieved these results with volatility:

- Lower than the average of key competitors, and
- Within the risk budget of 75% of UK equity market risk

Source: Morningstar as at 30 September 2019

Peer group: Investment Association 40%-85% equities fund peer group.

...with controlled risk

We will engage with companies to address the following:

- **Stigma: The stigma associated with mental health**
 - A recent study found that only 54% of employees feel comfortable talking about mental health in the workplace and only 13% would disclose a mental health issue to their line manager★.
- **Support: Lack of support for employees with mental health conditions**
 - Only around 4 in 10 organisations have policies or systems in place to support employees with common mental health conditions★★
- **Training: Employer's lack the training, skills or confidence to support employees**
 - 91% of managers agree that what they do affects the wellbeing of their staff, however less than a quarter of managers receive some form of training on mental health at work★
- **Transparency: Employer's lack of transparency about the mental health of employees**
 - A recent study of FTSE 100 companies found that only one third of them report publicly on the non-financial measures of employee engagement and wellbeing★★★

★Mental Health at Work Report 2018, Business in the community, The Prince's Responsible Business Network, 2018.

★★Employer experience survey, Department for Work and Pensions, 2017

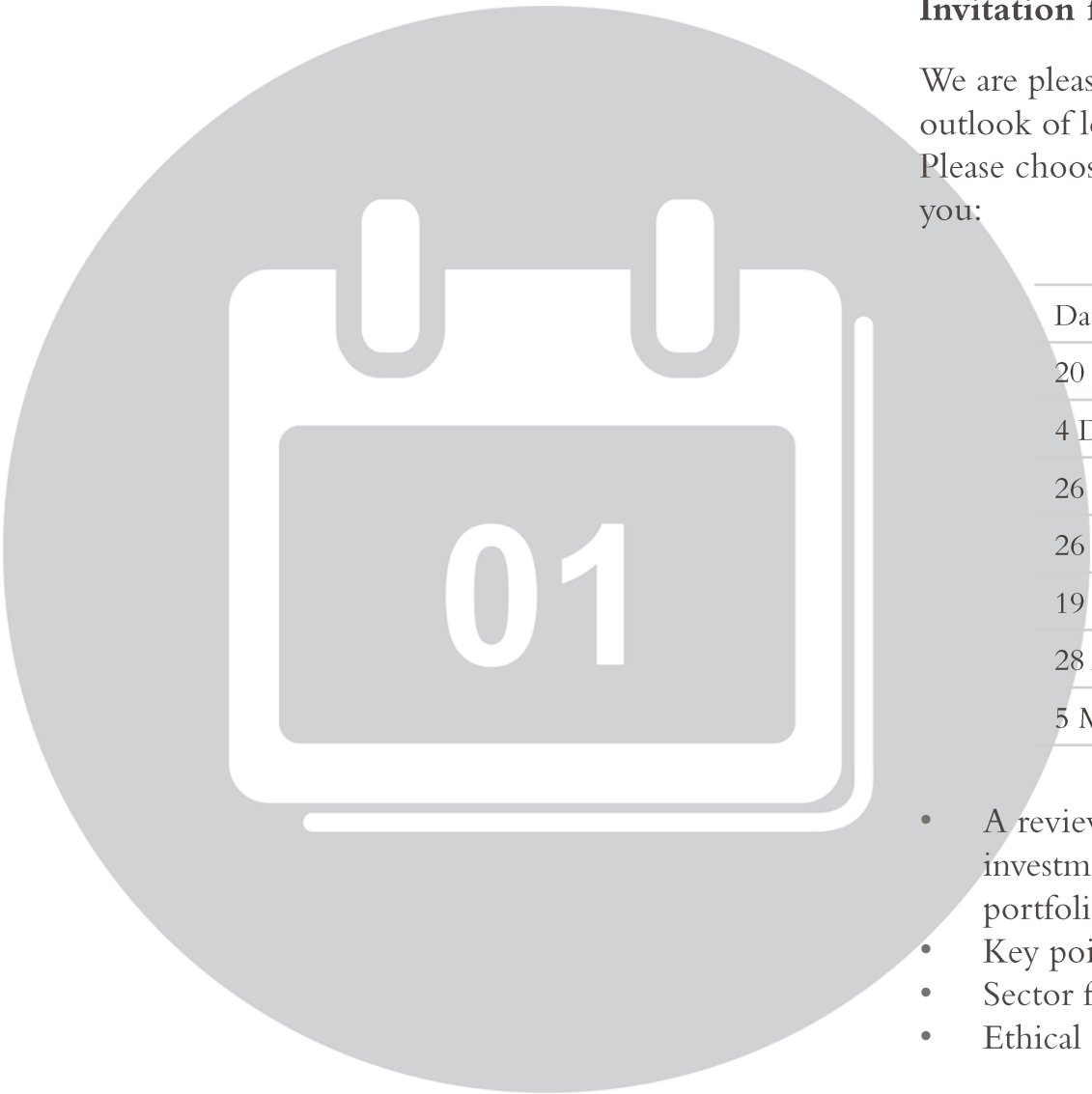
★★★FTSE 100 public reporting, employee engagement and wellbeing, Business in the community, 2015.

COIF Charity Funds	Annual Management Charge (AMC)	Ongoing Charges Figure (OCF)* Total Charge	Bid to Mid Spread
Investment Fund	0.60%	0.75%	0.23%
Ethical Fund	0.60%	0.74%	0.23%
Fixed Interest Fund	0.22%	0.30%	0.22%
Property Fund**	0.65%	0.73%	1.55%
Global Equity Income Fund	0.75%	0.95%	0.08%
Deposit Fund	0.20%	0.24%	0.00%

*The difference between the AMC and the OCF consists of irrecoverable taxes (including VAT), legal, audit, custody and other third party costs. The OCFs quoted above are taken from the latest Report & Accounts and are not a guarantee of future OCFs which are subject to change.

**VAT charged to the property fund is recoverable.

Spreads are subject to change to reflect actual costs incurred



Invitation for future events

We are pleased to invite you to an afternoon examining the future outlook of long-term investments for UK charities. Please choose from one of the dates and locations below to suit you:

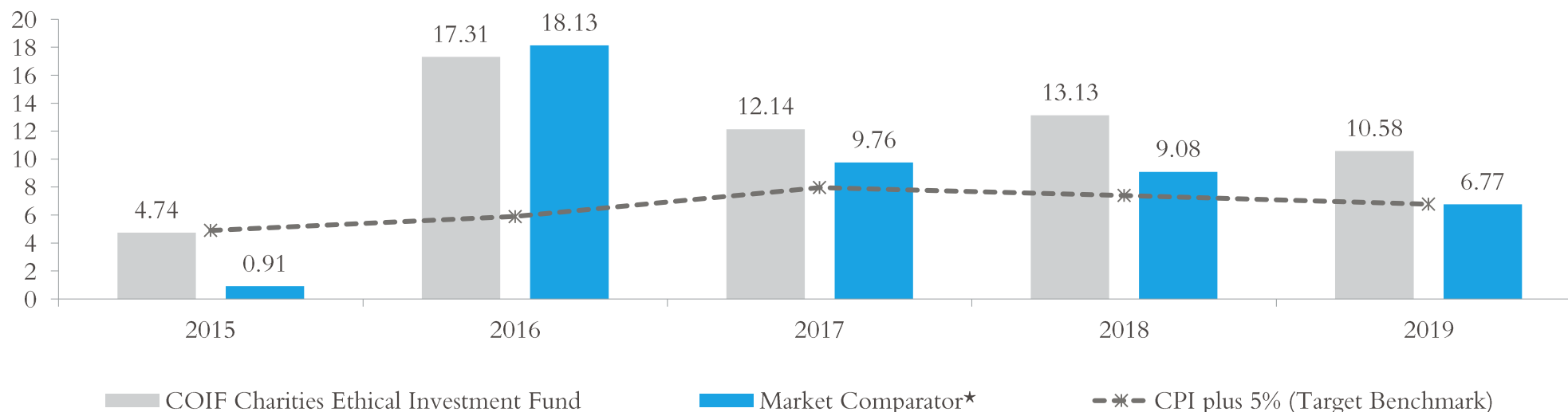
Date	Venue
20 November 2019	Nottingham
4 December 2019	Exeter
26 February 2020	Cardiff (Breakfast)
26 February 2020	Bristol
19 March 2020	Oxford
28 April 2020	London
5 May 2020	London

- A review of the prospects for the economy and the major investment sectors – what should you be doing with your portfolio?
- Key pointers on managing your charity’s investments.
- Sector focus: A closer look at investment opportunities.
- Ethical and responsible investment update

TO BOOK YOUR PLACE

Email: ccla@eesolutions.co.uk or visit our website www.ccla.co.uk

Discrete year total return performance % (gross) 12 months to 30 September



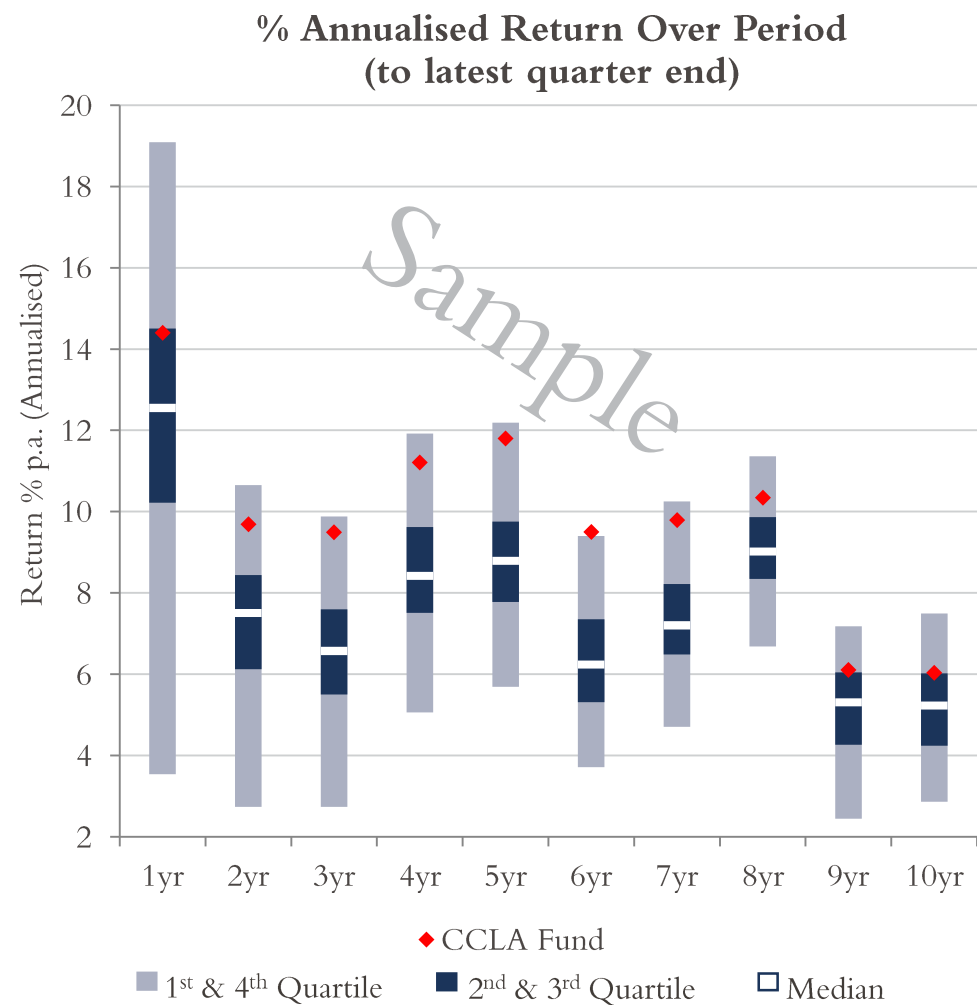
Source: CCLA as at 30 September 2019

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Total return performance is shown gross of management fees and expenses on a mid price basis. Net total returns will be lower after the deduction of fees and expenses.

Past performance is not a reliable indicator of future returns.



- The bar charts show the range of returns from comparable competitor funds over varying time periods
- Graph based on annualised total returns of all the funds graphed (2.5%–97.5%) and splits the fund performance results into four quarters. These quartiles and their ranges are shown along with the average (median) return
- Competitive data is the relevant Investment Association (IA) fund universe. Data shows total returns, net of fees.
- Volatility data uses monthly return data. FTSE All Share volatility (data from Morningstar) has been used as the reference when comparing volatility of CCLA and competitor funds.

Source: Morningstar and CCLA.

Past performance is not a reliable indicator of future results.

- CCLA's multi-asset funds are actively managed to achieve practical objectives such as protecting the real value of capital and income and controlling volatility, but success in achieving these aims can only be measured over the longer term.
- 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 market comparator 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 Board before they are implemented.
- Current market comparator (summary): 45% non-UK equities, 30% UK equities, 15% UK government bonds (gilts), 5% UK commercial property, 5% cash.
- Market comparator detail and history are as follows:
 - From 1.1.18:* 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 Monthly 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 UK Monthly 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 distributions 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 Fund and the Deposit Fund are taken from income. Fund charges applied to capital may result in capital erosion.

Holdings in the Investment Fund, Ethical Investment Fund, Global Equity Income Fund and the Fixed Interest 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 issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. To ensure you understand whether our product is suitable, please read the Fund Factsheet document and the Scheme Particulars. We strongly recommend you seek independent professional advice prior to investing. Investors should consider the risk factors identified in the Scheme Particulars.

Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Any forward looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated.

Investment in the Fund is only available to charities within the meaning of section 1 (1) of the Charities Act 2011. Investments in the Fund and the Fund are not covered by the Financial Services Compensation Scheme (FSCS). The Fund is approved by the Charity Commission as a Common Investment Fund under section 24 of the Charities Act 1993 (as has been replaced by the Charities Act 2011) and is an Unregulated Collective Investment Scheme and an unauthorised Alternative Investment Fund.

The company CCLA Fund Managers Limited (registered in England & Wales No. 8735639 at Senator House, 85 Queen Victoria Street, London, EC4V 4ET) is authorised and regulated by the Financial Conduct Authority and is the manager of the COIF Charity Funds (Registered Charity Nos. 218873, 803610, 1046249, 1093084, 1121433 and 1132054).

For information about how we obtain and use your personal data please see our Privacy Notice at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.



www.ccla.co.uk

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