



Investment Management
Cwm Taf NHS Morgannwg
General Charitable Fund
10th November 2022

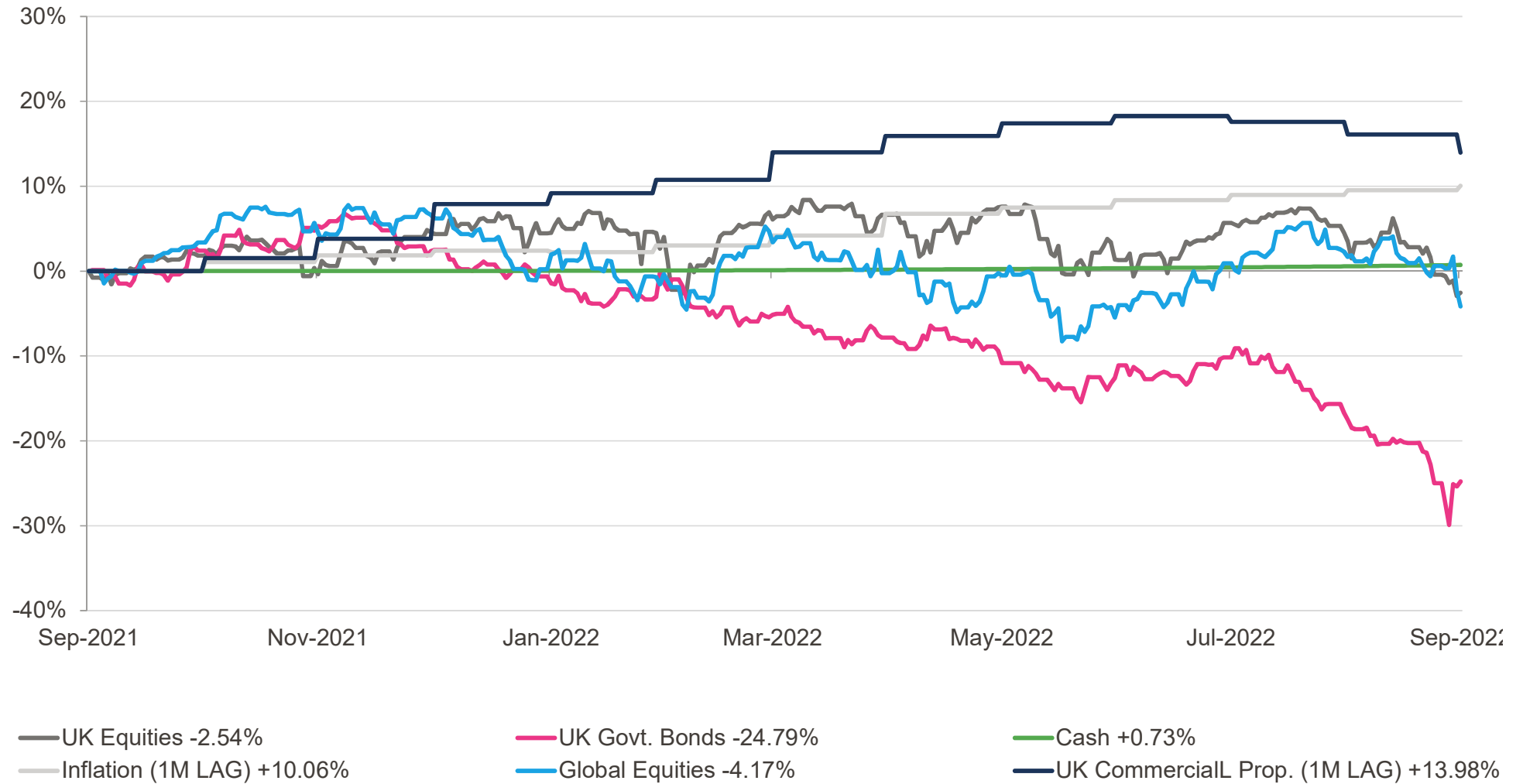
Oliver Jones-Davies – Director, Client

Investments
CCLA

GOOD INVESTMENT

Summary

MARKET REVIEW – 12 MONTH RETURNS TO 30 SEPTEMBER 2022



Source: Bloomberg as at 30 September 2022.
 Past performance is not a reliable indicator of future results.

Holdings	Market Value	Forecast income yield	Forecast annual income
COIF Charities Ethical Investment Fund	£2,688,136	3.14%	£84,276
Total portfolio	£2,688,136	3.14%	£84,276

Source CCLA as at 20 October 2022

Annual income figures from long-term funds are based on current fund share holdings and forecast distributions per fund unit for calendar year 2022.

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. Forecast yields and annual income is not guaranteed.

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

Net Performance as at 30 September 2022	Current Quarter (%)	Last Twelve Months (%)	Since Inception (%)
Your portfolio	+0.4	-5.7	-4.1
Consumer Price Index	+1.6	+5.6	+10.1

Source CCLA as at 30 September 2022

Total return net performance is calculated using a time-weighted rate of return based on weekly valuations with income reinvested. Therefore there may be some differences with other data in this presentation and your quarterly report which are calculated before all expenses. Any changes in your fund holdings during the quarter will also result in differences. Figures are rounded to the nearest £1 or 0.01%.

Total returns % as at 30 September 2022	1 month	3 months	6 months	1 year
COIF Charities Ethical Investment Fund (net)	-4.99	0.43	-5.70	-4.14
ARC Steady Growth Charity Index (peer group, net)	-5.80	-3.51	-10.16	-10.34
Comparator benchmark*	-5.50	-0.78	-8.57	-5.45
CPI plus 5% (target benchmark)	0.90	2.79	8.11	15.06

Source: CCLA, as at 30 September 2022 (provisional).

*Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%).

The fund's objective is to provide a long-term total return comprising growth in both capital and income, with a long-term total return benchmark of inflation (Consumer Price Index) plus 5% p.a. The comparator benchmark, 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 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.

Mitigating Risk

- In Q4 2021 we moved to an underweight position in equities, focusing on the most highly valued names in anticipation of a de-rating as rates rose.
- We have maintained this more cautious stance in the face of the worsening economic outlook and took advantage of market rallies in March and July to trim selected positions.
- Within equities our quality focus should protect against significant deterioration in earnings or balance sheets. We are absent many of the most sensitive areas such as retail, airlines and energy.
- We have also taken a more defensive stance, reducing areas such as consumer discretionary & industrials in favour of pharmaceuticals and professional services.
- Within alternatives we have been vigilant on valuations and have reduced exposure as the yield outlook worsened in the UK.

Taking advantage of opportunities

- We have added to a number of positions on weakness including PayPal and Disney as well as introducing new holdings on attractive valuations including Experian, Intuit, Icon and Essilor Luxottica.
- With the turmoil in September pushing bond yields above 4% we have initiated a position in 2-year UK Gilts. We would consider longer duration exposure or inflation linked instruments but do not believe valuations have fully reset.
- In cash we have introduced certificates of deposit providing a c.2% uplift on the Deposit Fund.

Source: CCLA as at October 2022. The market review, analysis, and any projections contained in this document represent the house view and should not be relied upon to form the basis of any investment decisions. The information does not constitute the provision of financial, investment or other professional advice.

- High inflation in the world's major economies is eroding real incomes and driving central bank policy tightening, damaging consumer and business confidence.
- With a tight employment market and household cash balances still elevated, the US may well avoid recession in 2022 though we expect growth to fall further, quite possibly into recession, in 2023.
- Europe is more directly challenged by the effects of war in Ukraine. Further cuts in energy supplies put the Eurozone at significant risk of a more serious recession than in the US.
- The UK's tight labour market will keep upward pressure on core inflation. Combined with higher energy and food prices, the cost-of-living squeeze can be expected to dampen demand for goods and services; industrial disputes may present additional challenges to economic activity.
- Growth in China has the potential to improve thanks to reopening of the economy and substantial fiscal and credit stimulus – but reimposed lockdowns could hamper this.
- For the global economy, much depends on how quickly inflation falls back from its expected peak in the coming months, and the amount of monetary policy tightening required to stabilise inflation expectations.
- Central banks, led by the US's Federal Reserve, are set to tighten policy aggressively over the next few months and have signalled that they will prioritise the control of inflation over support for economic activity.

Source: CCLA as at 20 September 2022. 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.

Fund Information

Long-term investment objective

- Over the long term aims to achieve an average annual total return of inflation (CPI) plus 5%
- To provide as part of this return a reliable income stream that maintains its real value over time
- Aim for volatility of no more than 75% of that of the UK equity market (measured over a three-year period and based on actual results rather than forecasts)*
- To avoid investment in tobacco companies, alcohol producers and companies with significant involvement in coal, oil & gas, armaments, gambling and pornography.

*Actual volatility may be higher or lower than this at any time. This is an internal guideline and therefore subject to change without notice. The MSCI UK IMI Index is used a proxy for the UK market.

- Philosophically, we believe that returns flow from underlying fundamentals – so we focus on assembling a well-diversified multi-asset portfolio, taking account of valuations, sustainability and risk.

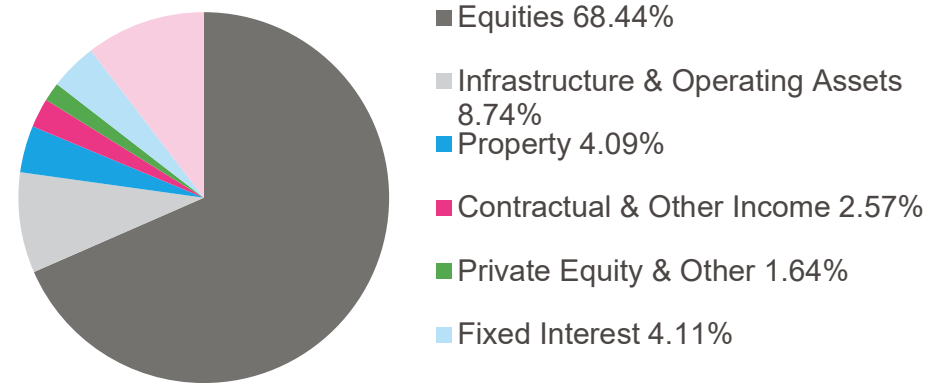
Quality **Growth** **Valuation**

Investing in a range of **high-quality** assets with sustainable, growing **cash returns**, at **valuations** that are attractive and will lead to significant real returns over the long-term.

- Disciplined but constantly evolving and index agnostic approach to identifying high-quality assets, with sustainable and growing free cash flow returns
- A collaborative team-based approach that marries
 - quantitative and qualitative analyses of opportunities and risks, at both the instrument and asset, and portfolio levels;
 - consideration of secular trends, fund and liquidity flows, and extra-financial risks and issues;
 - engagement to make change happen.

- 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: £1,914m

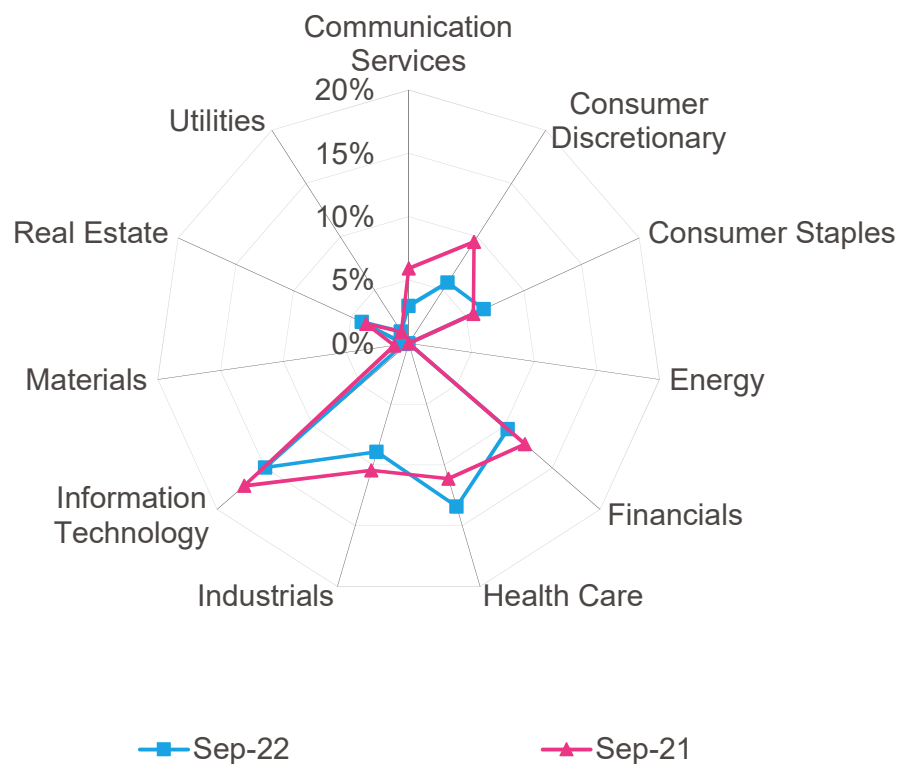
Asset allocation



Source: CCLA, as at 30 September 2022. 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.

Equity sector changes (%)

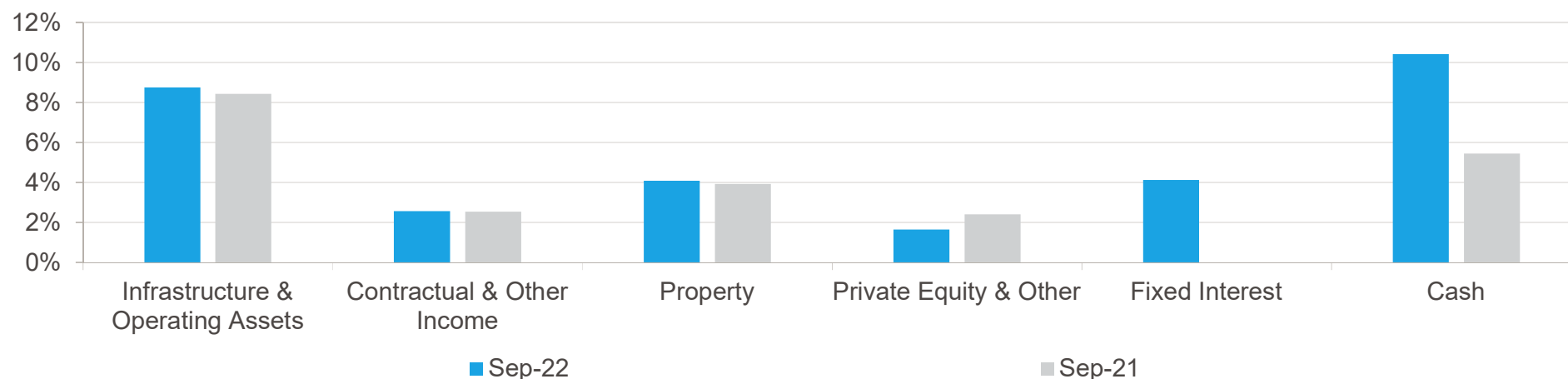


- There were very few changes to the equity portfolio in Q3.
- We sold our position in Canadian telecommunications business BCE on valuation grounds.
- The only new addition to the portfolio was Essilor Luxottica, a global leader in the design and manufacture of lenses and frames for the eyewear market.
- Over the course of the last year the portfolio had been moved into a more defensive position, reflecting valuations and concerns around the impact of inflation and rising interest rates on the economy.
- This has resulted in higher weightings to healthcare and consumer staples and lower weightings to consumer, financials, technology and industrials.

Source: CCLA as at 30 September 2022

This information does not constitute the provision of financial, investment or other professional advice. Past performance is not a reliable indicator of future results.

Changes in non-equity asset allocation

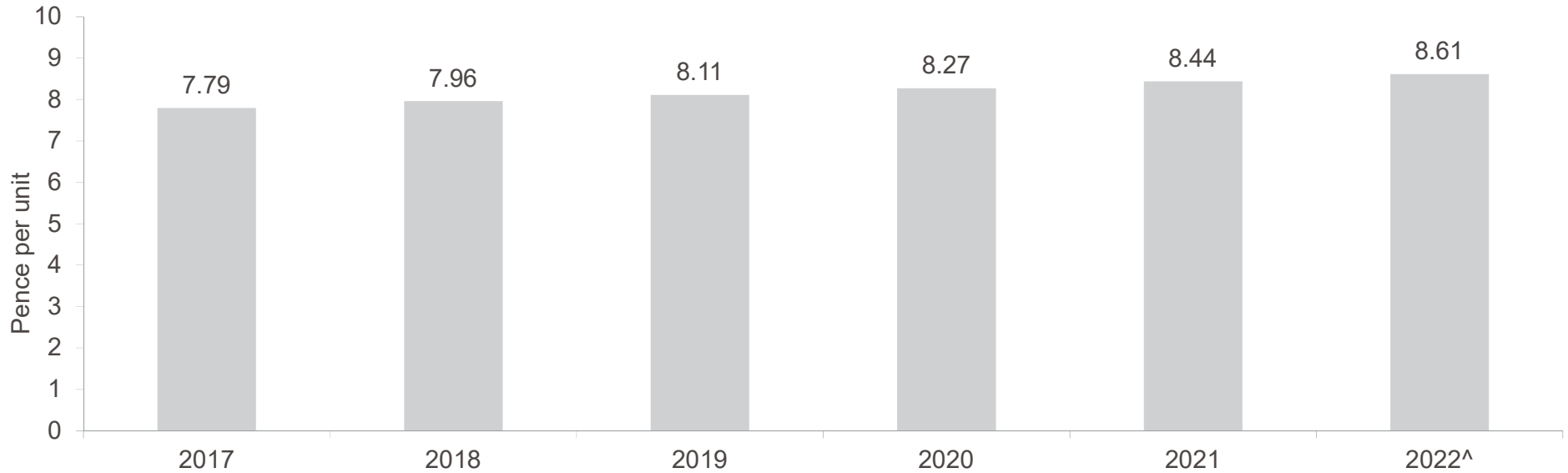


- An allocation to gilts was built during Sept 2022 in response to the increase in yields triggered by the UK government's 'mini-budget'.
- The contractual income allocation was broadly flat over the period.
- Private equity reduced reflecting a fall in the value of listed private equity funds as investors anticipate the stock market falls to feed into lower private company valuations.
- The property allocation was broadly unchanged, which reflects strength of the marks of private funds, which was partially offset by weakness across the logistic focused REITs due to concerns around a weaker end consumer and over-building.
- The increase in the infrastructure was the result of good performance across both renewable energy and general infrastructure. Renewables benefitted from higher power prices and inflation, while general infrastructure benefitted from inflation linkage. We trimmed certain UK focused renewables names in light of greater political risk for the sector, recycling the proceeds into infrastructure and renewables located in geographies that are less exposed.

Source: CCLA, as at 30 September 2022. 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.

Historical and Projected Annual Distribution



Current yield 3.12%*

Source: CCLA as at 30 September 2022.

[^]Projected annual distribution. Projections for annual distribution is subject to change.

*Based upon mid-market price as at 30 September 2022 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.

Annualised returns % as at 30 September 2022	1 year	3 years	5 years	10 years
COIF Charities Ethical Investment Fund (net)	-4.14	5.89	7.95	9.51
ARC Steady Growth Charity Index (peer group, net)	-10.34	1.00	2.67	5.51
Comparator benchmark*	-5.45	2.98	4.93	7.58
CPI plus 5% (target benchmark)	15.06	9.47	8.51	7.51

Source: CCLA, as at 30 September 2022 (provisional).

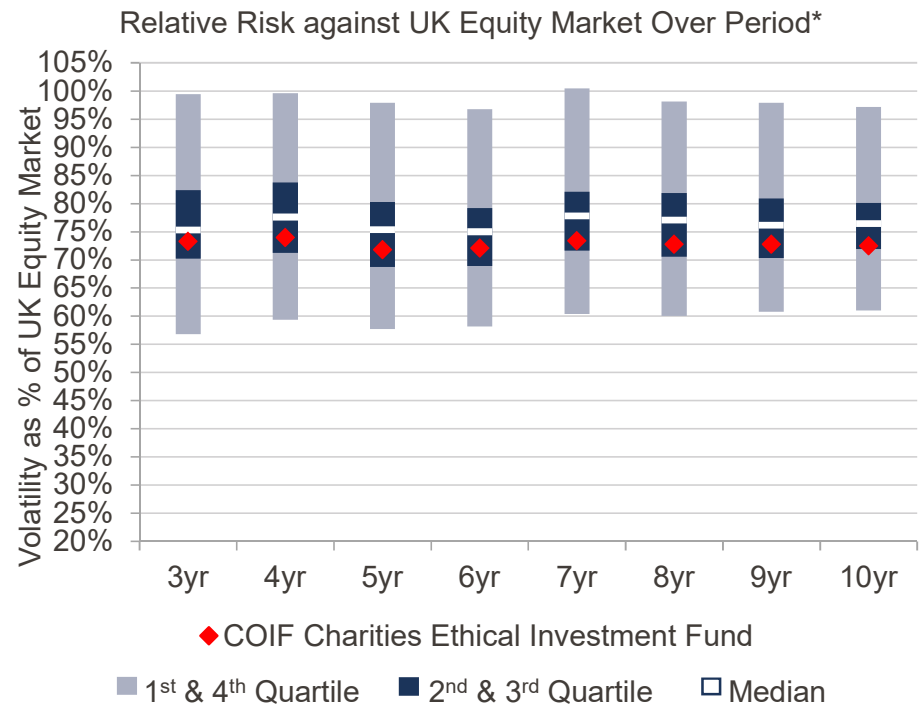
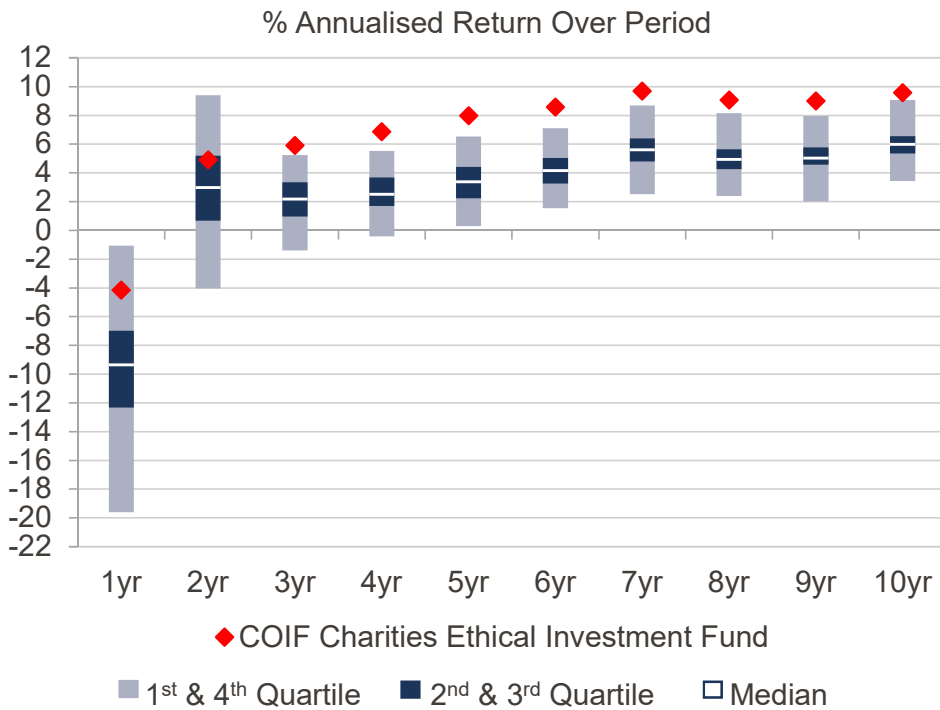
*Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%).

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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.

- Consistent and competitive returns, ahead of the median fund over multiple time periods
- Volatility has been significantly below that of the UK equity market and below that of the median fund over multiple time periods.



Source: Morningstar/CCLA as at 30 September 2022.

Peer group: Investment Association 40%-85% equity funds peer group. *The MSCI UK IMI Index is used as a proxy for the UK market. At any time, the actual level of volatility may be higher or lower than shown in the chart above.

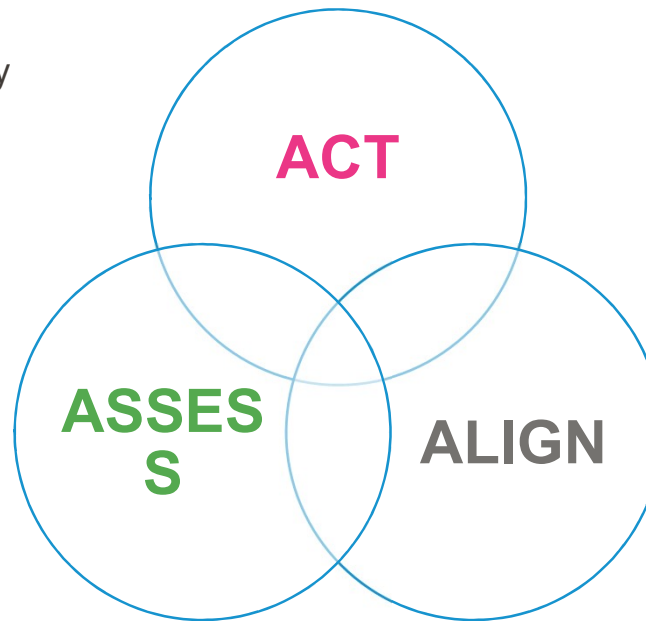
Past performance is not a reliable indicator of future results.

Pioneers of change

- Vote on every company resolution
- Engage directly with every company at least once a year
- Long-term systemic change programmes in pursuit of the common good
- Impact goes far beyond our immediate sphere of influence

ESG analysis to

- Uncover and manage extra-financial risk
- Identify sustainable companies
- Guide our stewardship activities



Restricted on a % revenue basis

- Fossil fuel extraction, production, refining
- Armaments*
- Tobacco
- Alcohol
- Adult entertainment
- Gambling
- High interest rate lending

Aspirational target to dedicate 5% of the fund's capital to investments that provide positive social or environmental objectives and meet the risk–return criteria.

UN PRI Rated 5* in all equity categories

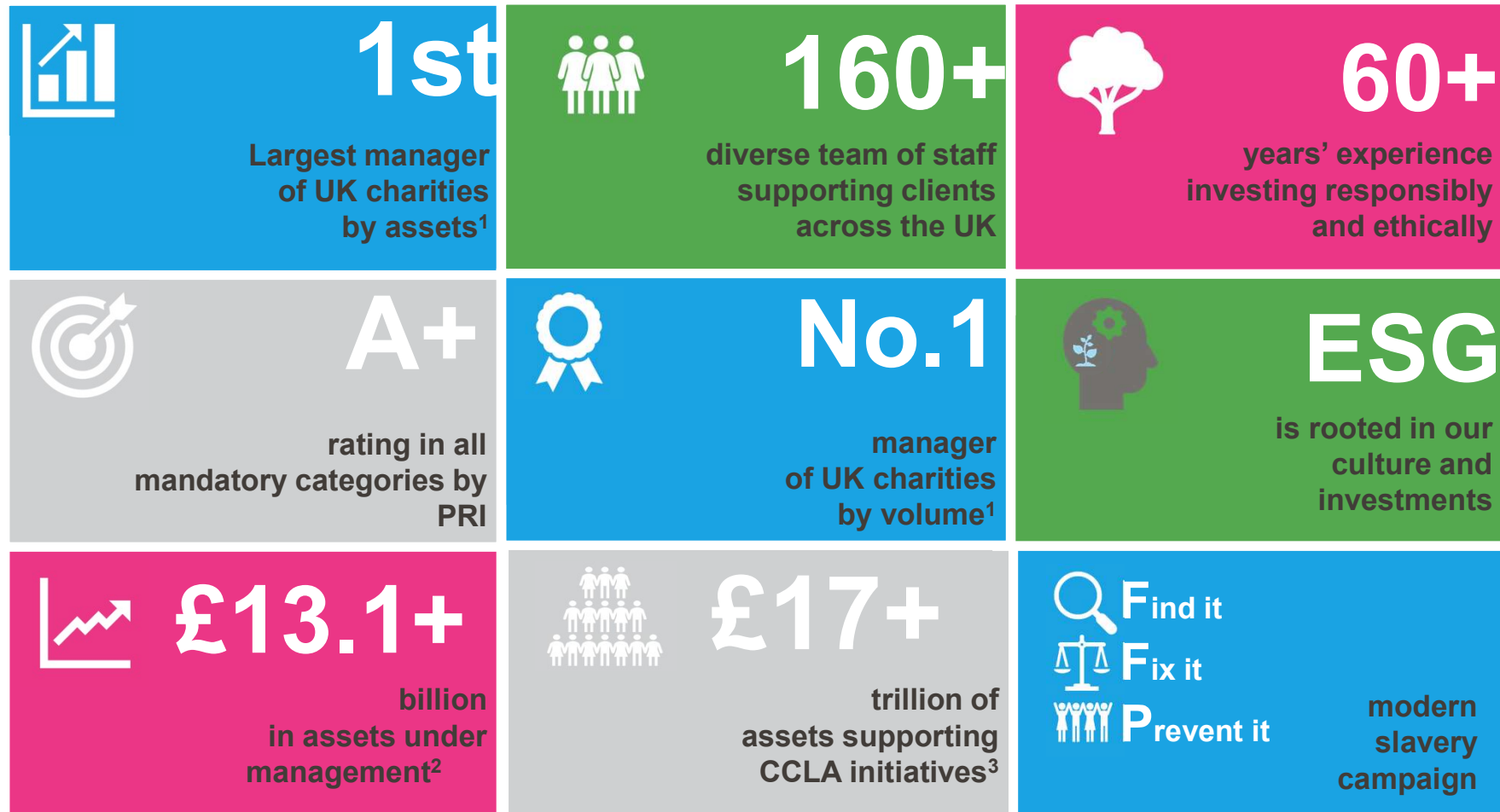


Signatory to the 2020 FRC UK Stewardship Code



Source: CCLA. *Including companies involved in the production of landmines, cluster munitions, chemical/biological weapons and/or nuclear weapons are prohibited. Revenue restrictions apply to strategic military sales and non-military weapons. For full restrictions please see the appendix.

Appendices



1. Fund Management Survey 2021 published by *Charity Finance*.
 2. CCLA, 30 September 2022.
 3. CCLA initiatives and investor coalitions include modern slavery, mental health and climate change.

COIF CHARITIES ETHICAL INVESTMENT FUND RESTRICTIONS



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 sands extraction	Companies that derive more than 5% of their revenue from the extraction of these fuels are restricted
	Energy coal extraction	Companies that derive more than 5% of their revenue from the extraction of these fuels are restricted
	Other 'fossil fuel' extraction	Companies that derive more than 10% of their revenue from extracting and refining of oil or gas
	Other High carbon businesses	Minimum standards for engagement progress
	Electrical utilities	No investment in companies that cannot align with the Paris Climate Change agreement
Armaments	Strategic military sales	Restricted if derive more than 10% of revenue from strategic military sales
	Civilian firearms	10% revenue restriction
	Nuclear weapons	Investment prohibited if involved in the production of these weapons
	Landmines, cluster munitions, chemical or biological weapons	Investment prohibited if involved in the production of these weapons
Tobacco		10% revenue restriction
Alcohol		10% revenue restriction
Adult entertainment		10% revenue restriction
Gambling		10% revenue restriction
High interest rate lending		10% revenue restriction
Specific client restrictions	Sanctity of Life	Production of single-purpose abortifacients
Animal testing	Testing of cosmetics on animals	Restricted if in priority sector and chooses to conduct testing on animals
	Breast milk substitutes	Companies that do not meet the FTSE4Good criteria
ESG Minimum Standards	Companies with an MSCI ESG Rating of B or below	Comply/explain approach applies
Respecting international norms	Substantiated allegations of non-conformity with the UN Global Compact	Engagement that can lead to divestment if no progress is made
Oppressive regimes	Sovereign debt	No debt from countries identified by CCLA as being the most oppressive
Third-party funds		Screened against ethical investment criteria

Source: CCLA. The majority of ethical restrictions are applied through standard, and bespoke data feeds provided by MSCI. Revenue restrictions based on total revenue from all exposures unless stated.



Since 2007, we have forged a clear climate action pathway, consistently pushing for progress by taking steps to tackle climate change.

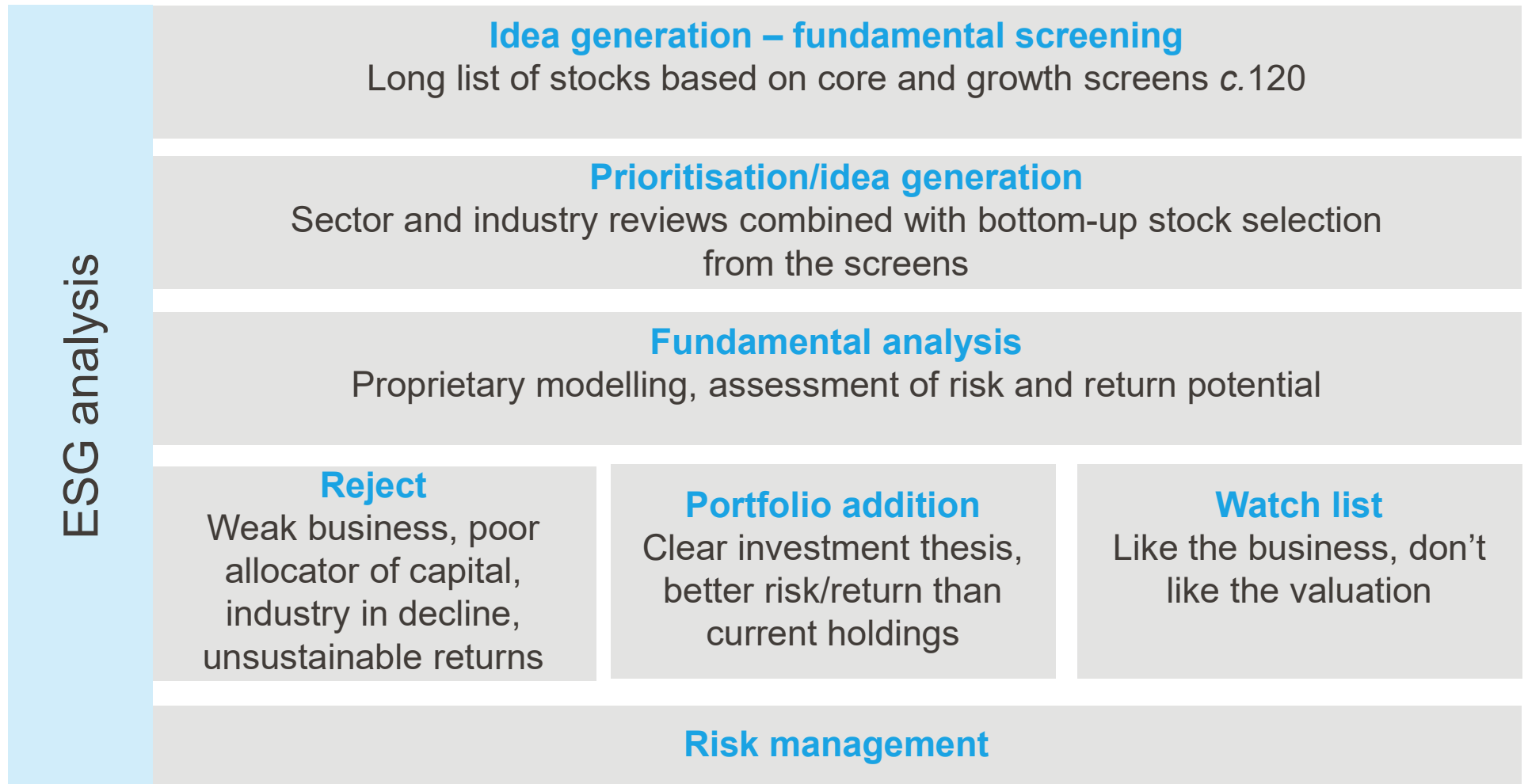
Source: CCLA as at September 2022

Investment Leadership Group		
Ben Funnell	Charlotte Ryland & James Ayre	James Corah
<p>Solutions</p> <p>Strategic asset allocation, alternatives, cash and risk management</p> <p>12 team members</p>	<p>Investments</p> <p>Core investment engine, analysing global equities</p> <p>12 team members</p>	<p>Sustainability</p> <p>ESG integration Active stewardship</p> <p>8 team members</p>

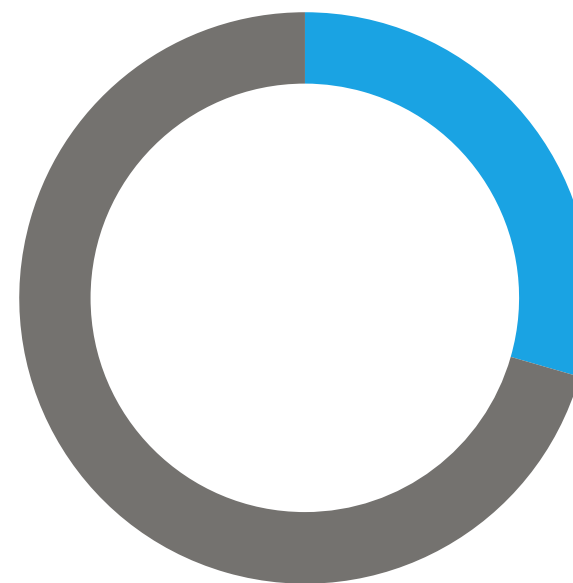
- The team has delivered an extended period of outperformance of our charity multi-asset funds.*
- Average industry experience: 18 years
- Average tenure: 8 years

Source: CCLA, investment team as at September 2022, data as at 30 June 2022.

*Refers to the COIF Charities Investment Fund and the COIF Charities Ethical Investment Fund outperforming their target and comparator benchmarks over three and five years, net of fees with gross income reinvested, as at 30 June 2022. Past performance is not a reliable indicator of future results.



Security	Portfolio weight %
COIF Charities Property Fund	3.69%
UK Treasury Gilt 1% 22/04/2024	2.50%
Microsoft	2.04%
United Kingdom Gilt 0.25% 31/01/2025	1.62%
Amazon	1.59%
Unitedhealth Group	1.56%
Danaher	1.37%
Unilever	1.31%
Greencoat UK Wind Plc Fund	1.23%
Pepsico	1.22%
Roche Holding	1.22%
IntercontinentalExchange Group	1.18%
Novo Nordisk B	1.16%
Relx PLC	1.16%
Nestle	1.14%
NextEra Energy	1.13%
HDFC Bank	1.09%
AIA Group	1.09%
London Stock Exchange Group	1.08%
Alphabet	1.08%



■ Top twenty holdings 29.44%

Source: CCLA as at 30 September 2022
 Holdings are subject to change.

Liquidity of the underlying holdings of the COIF Charities Ethical Investment Fund

Time Required To Liquidate	Fund weight %
1 Day	63.52
1 Week	16.50
1 Month	7.84
3 Months	2.88
6 Months	6.16
1 Year	2.35
Over 1 Year	0.75
Total	100

Source: CCLA as at 30 September 2022

The above table shows the assessed level of liquidity for each fund and the extent to which significant levels of client withdrawals can be accommodated, in normal market conditions.

Liquidity analysis is subject to change

- We define alternative investments as all assets excluding mainstream quoted equities, fixed interest and cash.
- Within the alternative's asset class, we focus on investments that generate stable cash flows with low sensitivity to the economic cycle and are underpinned by productive assets.
- The alternative allocation in our clients' portfolios serve three purposes:

Stable cash flows

To assist with delivery of the real returns and free cash flow, supporting the growth and distribution objectives.

Diversification

To diversify the equity-related risks so that the funds operate within their risk budgets.

Positive ESG impact

Investing in solutions to the environmental, social and governance (ESG) challenges our communities face

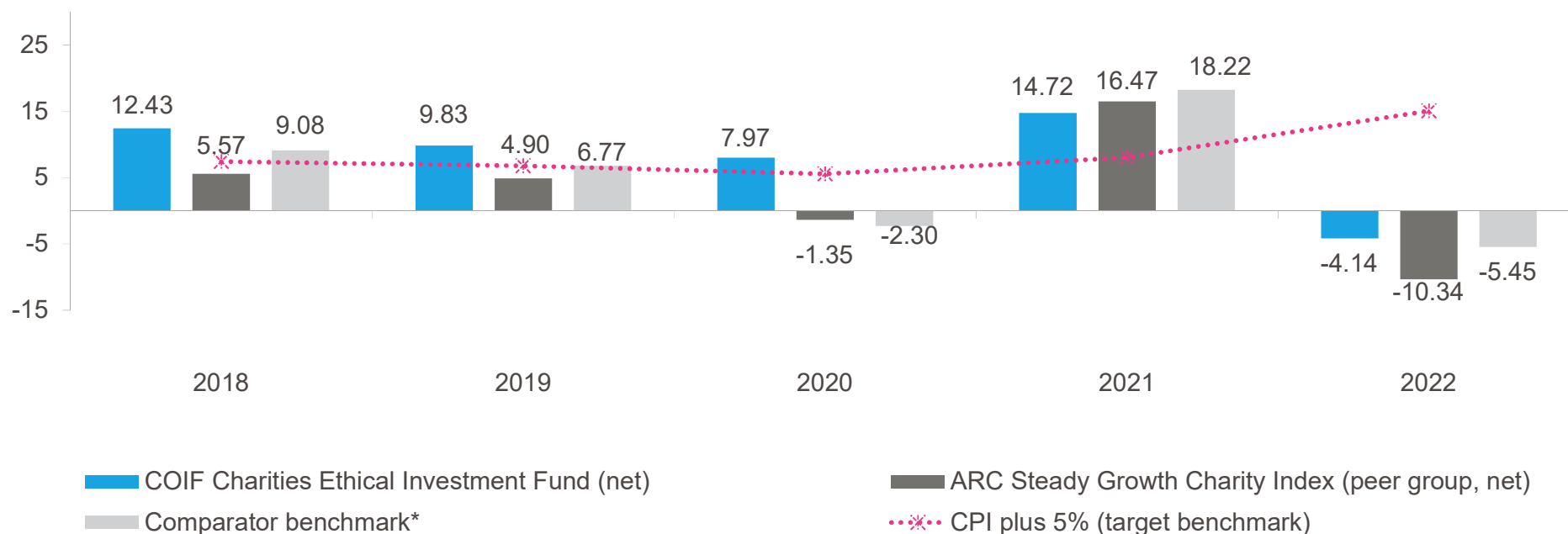
COIF Charities Ethical Investment Fund	Cost % p.a.
Annual management charge (AMC)	0.60
Other expenses	0.12
Fund management fee (FMF)	0.72
Costs of underlying investments	0.23
Total ongoing charges figure (OCF)	0.95

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.

Discrete year total return performance % 12 months to 30 September



Source: CCLA, as at 30 September 2022 (provisional).

*Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and SONIA (5%).

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

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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.

- 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 comparator benchmark. 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 1.1.21:* 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 31.12.20:* 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 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%.

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To ensure you understand whether a CCLA product is suitable, please read the fund fact sheet document and the scheme particulars. CCLA strongly recommends 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 CCLA's current opinions, expectations and projections. CCLA undertakes no obligations to update or revise these. Actual results could differ materially from those anticipated.

Investment in a CCLA managed fund is only available to charities within the meaning of section 1(1) of the Charities Act 2011. The CCLA managed 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.

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CCLA

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