

St Michael and All Angels, Sandhurst

CCLA
GOOD INVESTMENT

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8th May, 2024

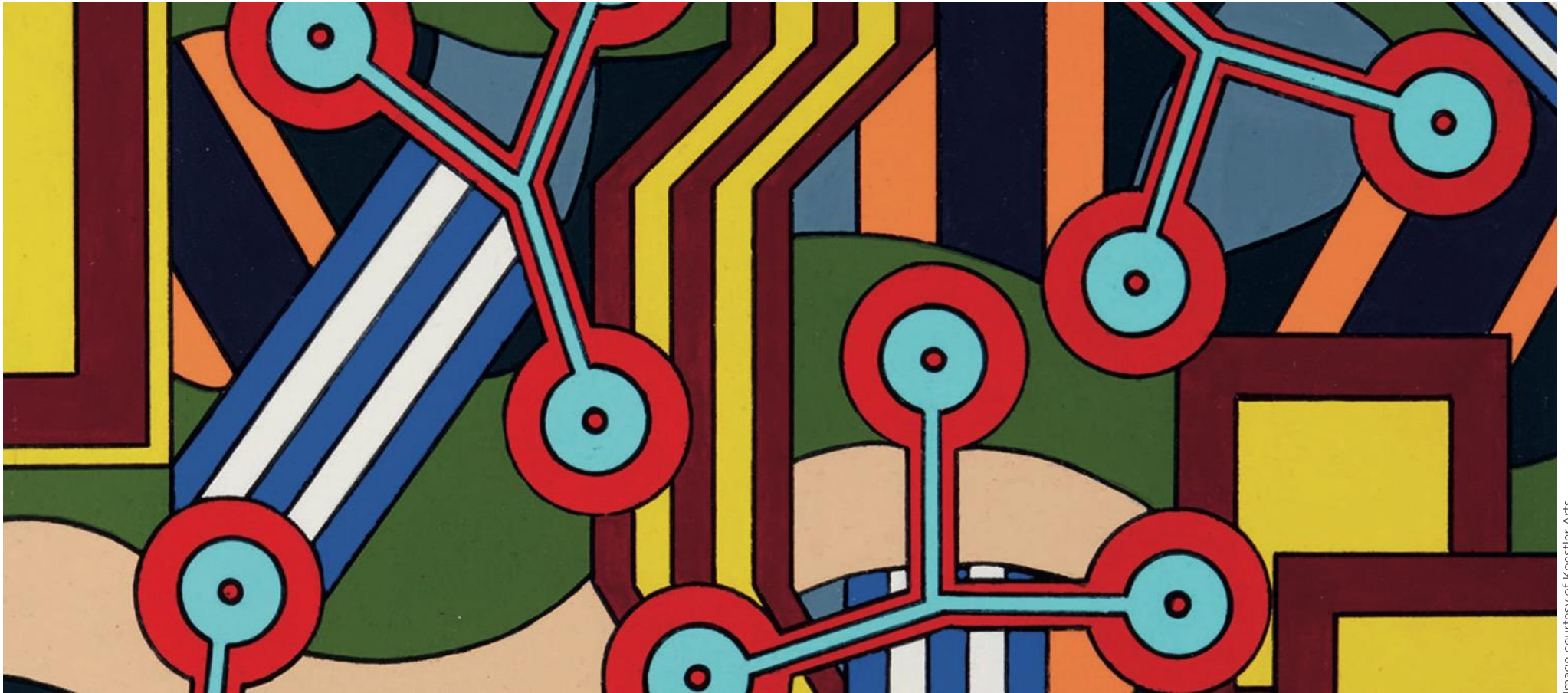
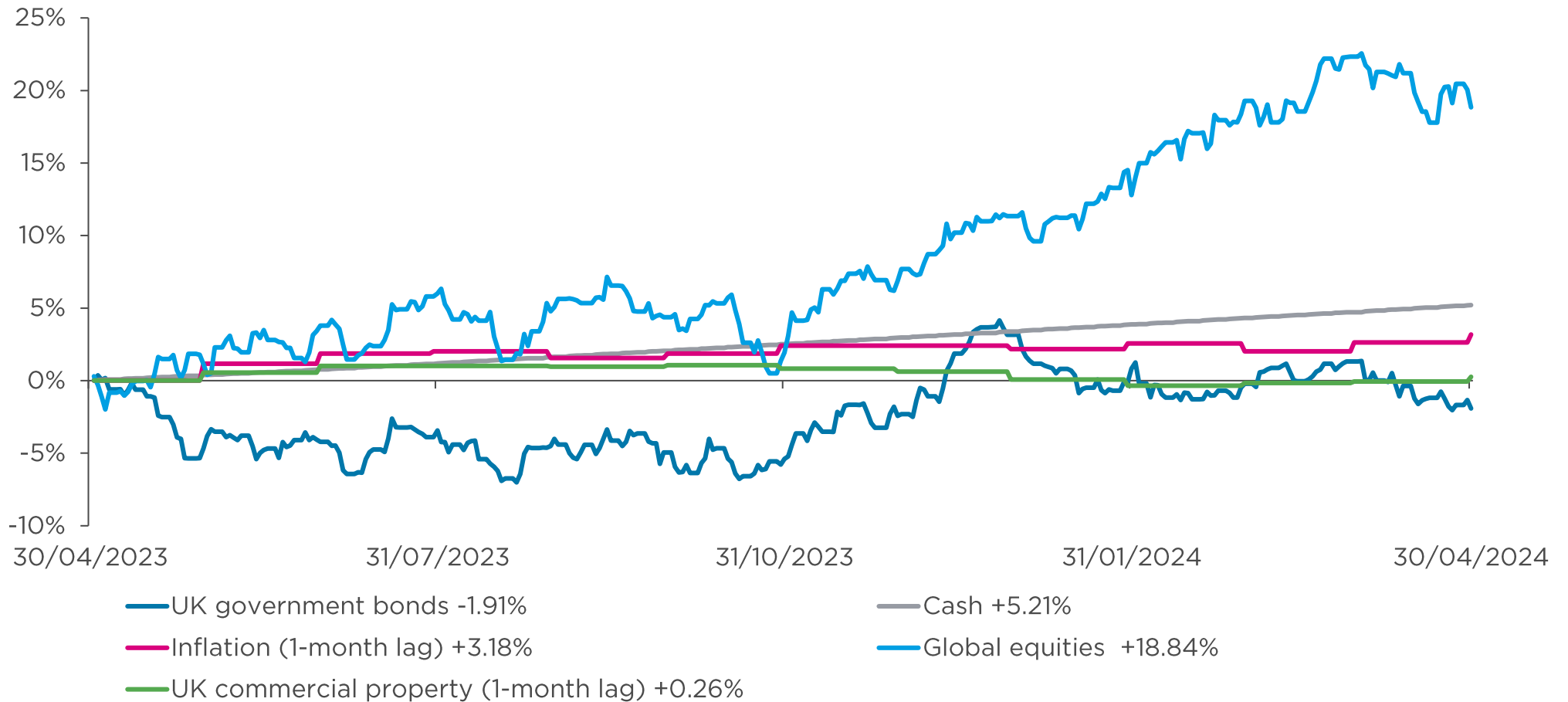


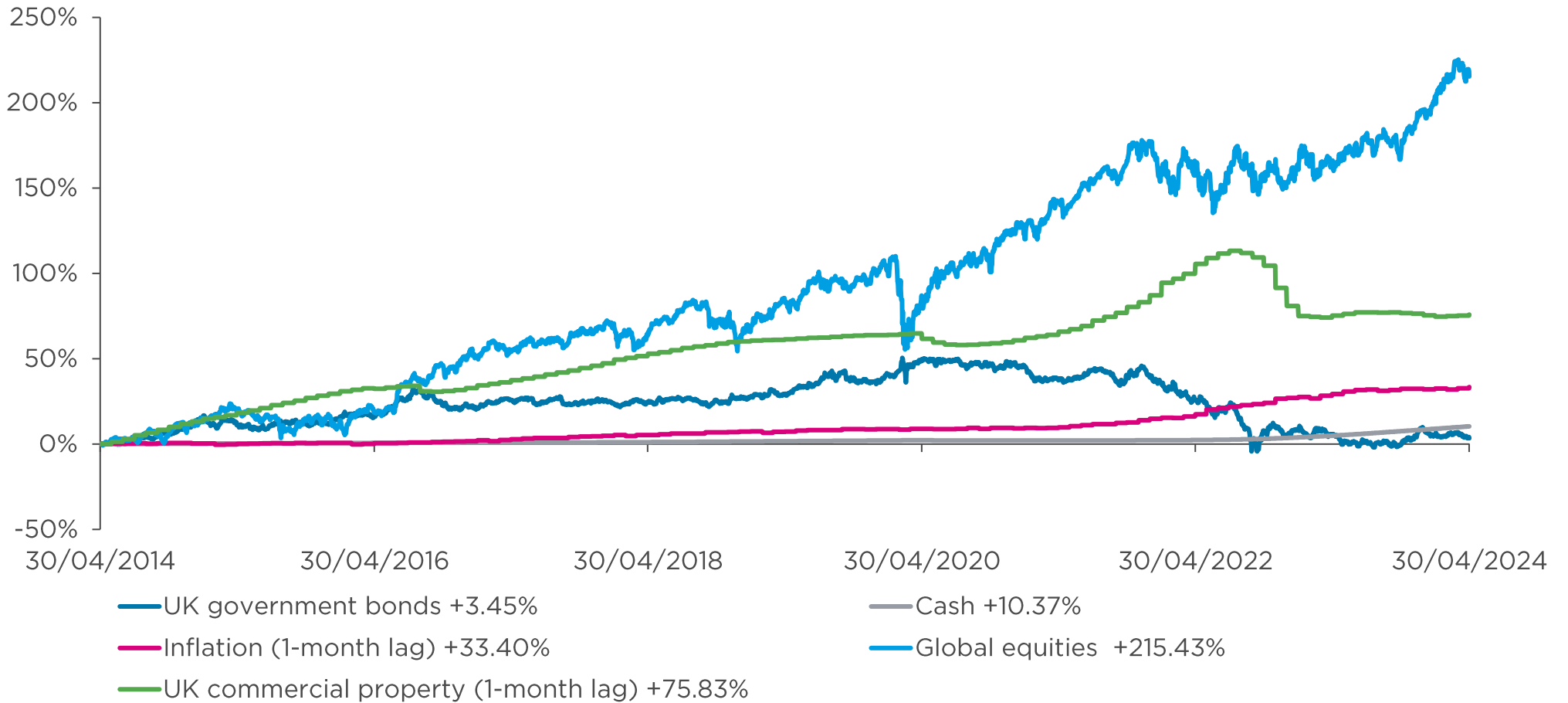
image courtesy of Koestler Arts

Market review – 12-month returns



Source: Bloomberg, as at 30 April 2024. Inflation and UK commercial property performance are on a one-month lag. Past performance is not a reliable indicator of future results.

Market review – 10 year returns



Source: Bloomberg, as at 30 April 2024. Inflation and UK commercial property performance are on a one-month lag. Past performance is not a reliable indicator of future results.

Portfolio valuation

Holdings	Market value	Forecast income yield	Forecast annual income
The CBF Church of England Investment Fund	£517,733	[2.8%]	[£14,497]
The CBF Church of England Deposit Fund	£318,523	5.20%	£16,563
Total portfolio	£836,255	3.71%	£31,060

£455,000 was invested in the CBF Investment Fund in 4 tranches between 16th February, 2021 and 28th March, 2023. This account is showing a profit of £62,733

Interest on the CBF Deposit Account is credited to the Deposit account on a monthly basis.

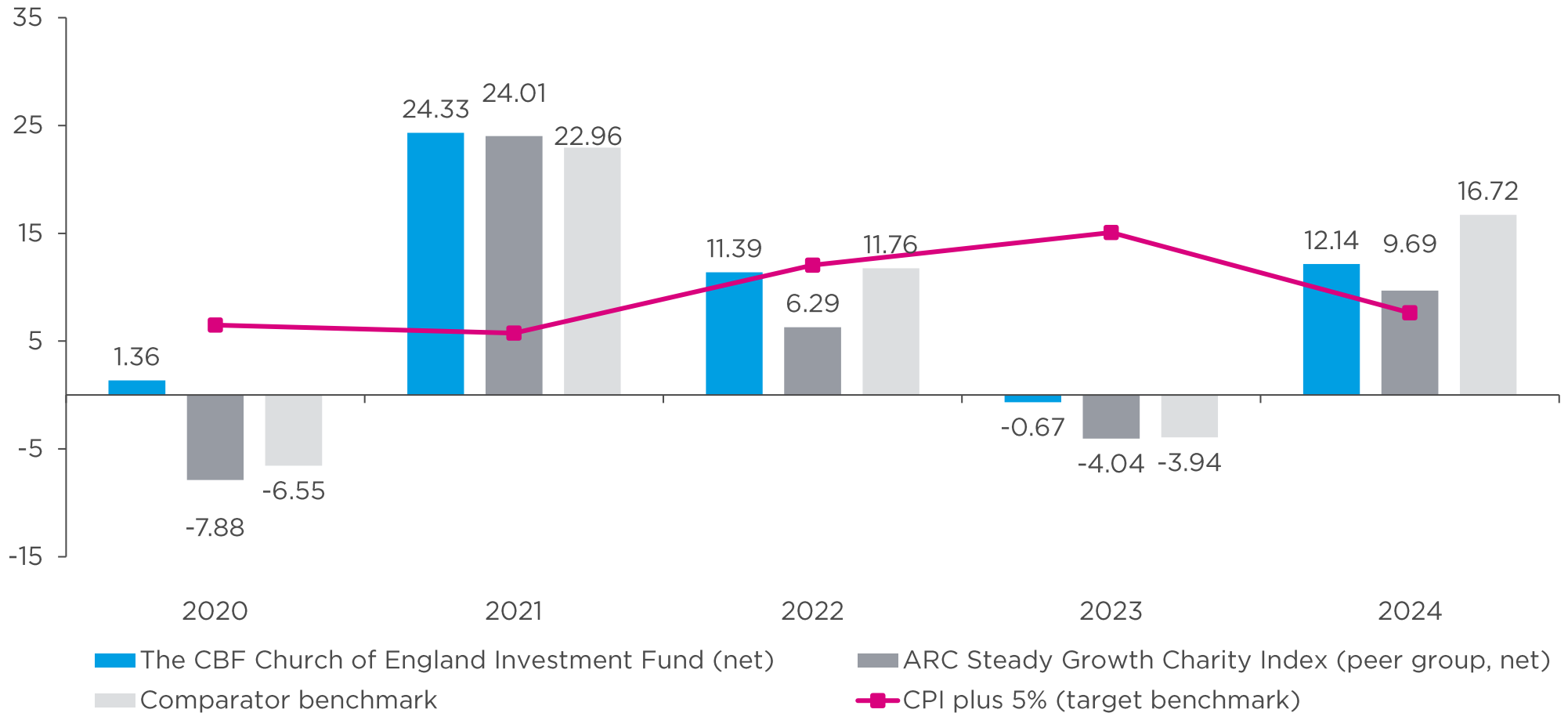
Source CCLA, as at 7th May, 2024 Annual income figures from long-term funds are based on current fund share holdings and forecast distributions per fund unit in calendar year 2024. Annual income figures for the CBF Church of England Deposit Fund balances are based on the current declared interest rate 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.

Annualised performance

Annualised returns % as at 31 March 2024	1 year	3 years	5 years	10 years
The CBF Church of England Investment Fund (net)	12.14	7.46	9.35	9.83
ARC Steady Growth Charity Index (peer group, net)	9.69	3.81	5.03	5.42
Comparator benchmark	16.72	7.81	7.56	7.73
CPI plus 5% (target benchmark)	7.64	11.54	9.34	7.87

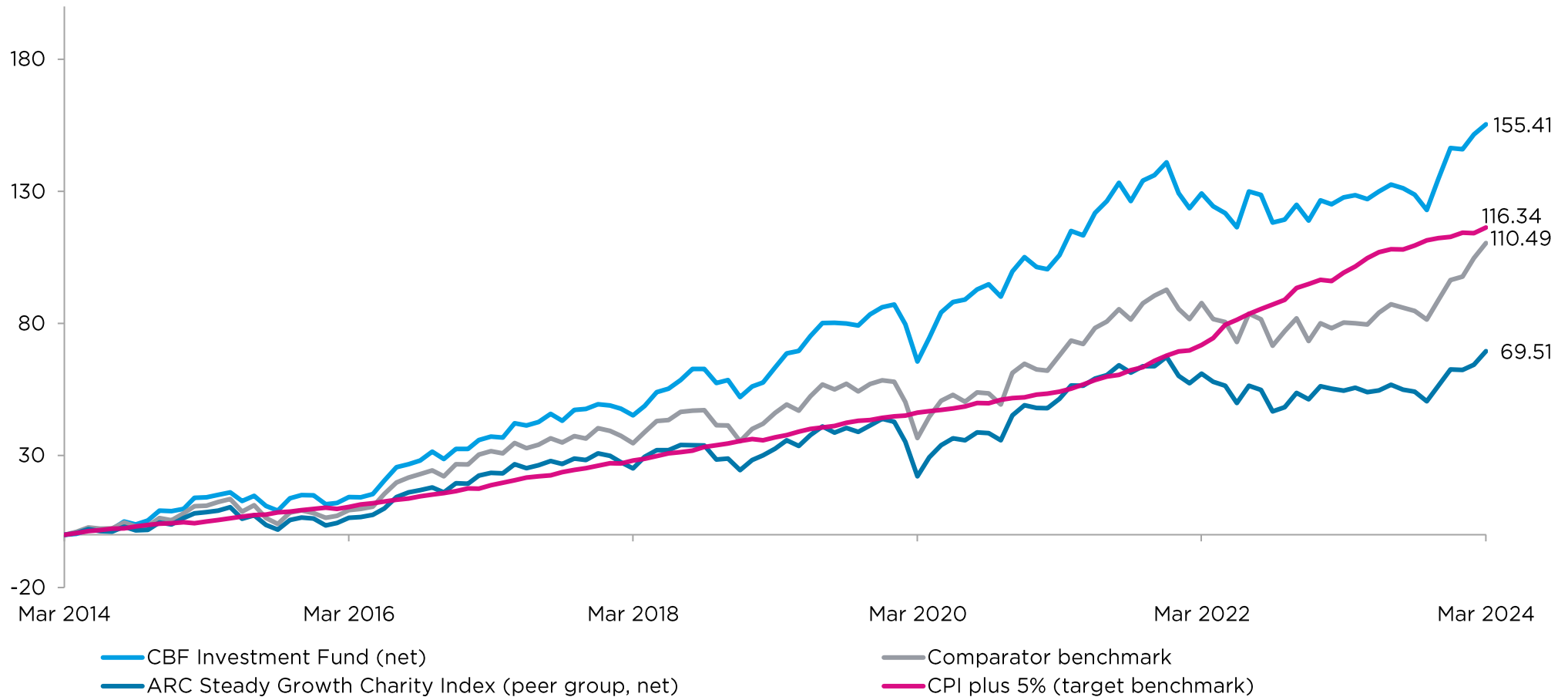
Source: CCLA as at 31 March 2024 (*provisional data*). Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%). The comparator benchmark is subject to change. Please refer to detailed description in 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 performance (%)



Source: CCLA, discrete year performance for 12 months to 31 March 2024 (*provisional data*). Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (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.

Cumulative performance (%)

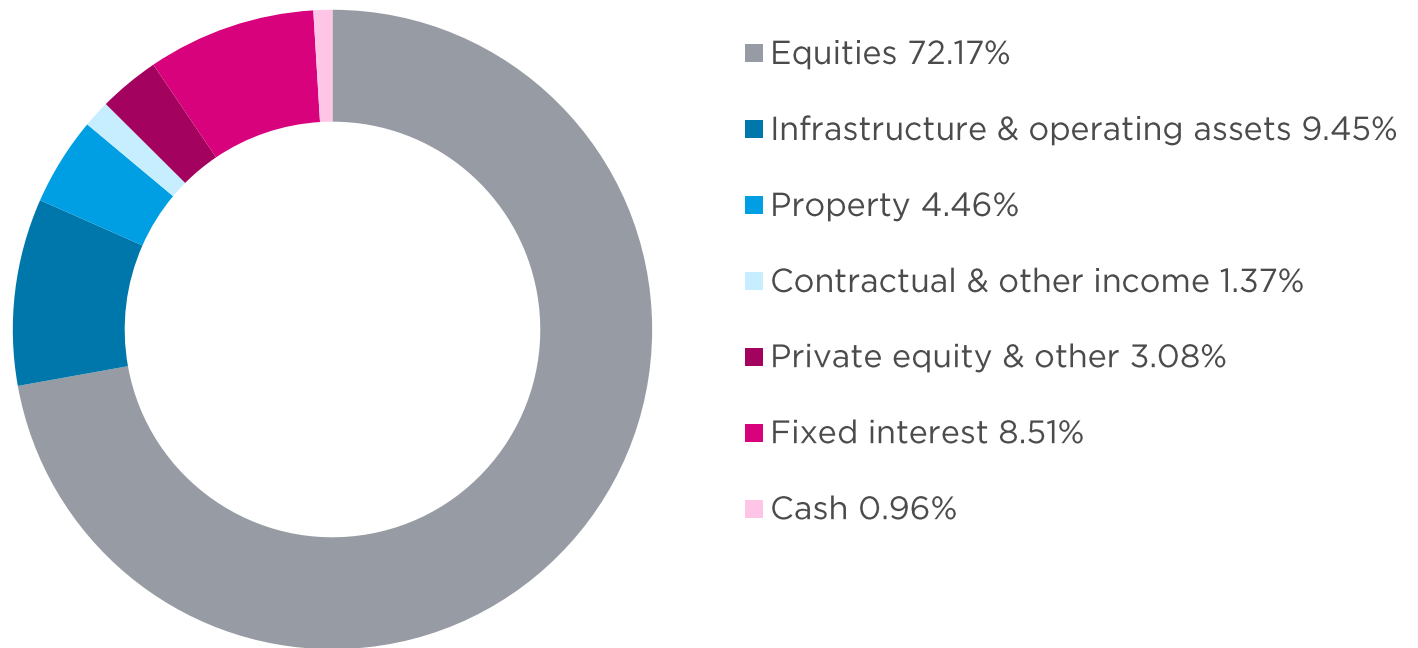


Source: CCLA, 10-year net cumulative monthly performance, as at 31 March 2024 (*provisional data*). Comparator benchmark: MSCI World Index (75%), Markit iBoxx £ Gilts Index (15%), MSCI UK Monthly Property Index (5%) and Sterling Overnight Index Average (5%). The comparator benchmark is subject to change. 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.

CBF Church of England Investment Fund

Fund size:
£2,153m

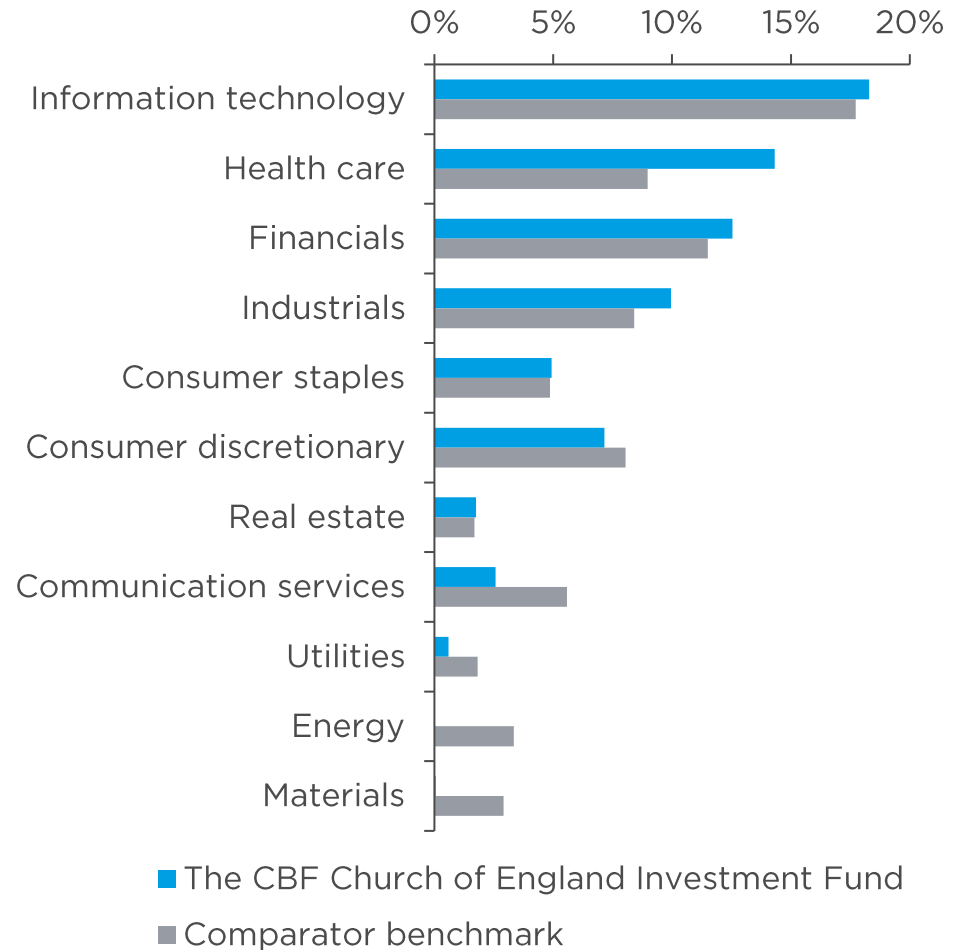
- Multi-asset, long-term fund designed to help meet growth and income requirements
- Aims to provide diversified and well-balanced spread of investments
- Uses alternatives to provide contractual cash flows



Source: CCLA, as at 31 March 2024. 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

Equity positioning

- In tech, exposure to several key global trends including, cloud computing digitisation and semiconductor content. Examples include Microsoft, Ansys and Synopsys.
- In financials, we prefer market infrastructure and data businesses over banks. Examples include S&P Global and Tradeweb.
- In health care, favour life science and medical equipment business with clear long-term growth drivers and selected pharmaceuticals exposure. Examples include Thermofisher and Novo Nordisk.
- Within industrials, prefer professional services business with high recurring revenue, alongside niche capital goods business over deep cyclicals. Examples include Trane Technologies and Relx.
- In consumer discretionary, exposure to high-quality consumer-facing businesses where there is limited risk of disruption. Examples include Starbucks and Intercontinental Hotels.
- Very little exposure to highly capital intensive sectors such as energy, mining and utilities

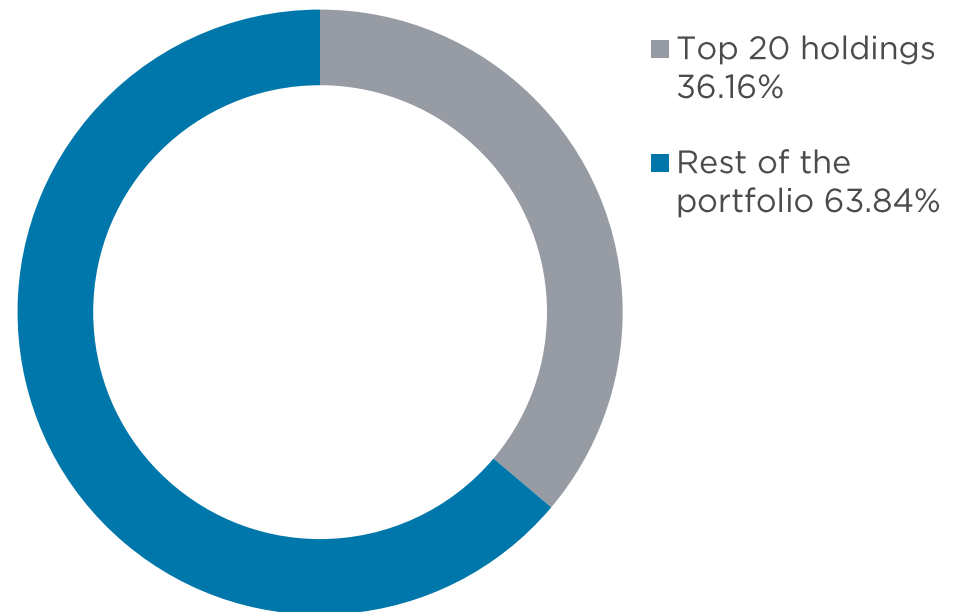


Source: CCLA, as at 31 March 2024. Comparator benchmark: MSCI World Index, 75%. Sector allocation are subject to change. This information does not constitute the provision of financial, investment or other professional advice. Past performance is not a reliable indicator of future results.

Top 20 holdings

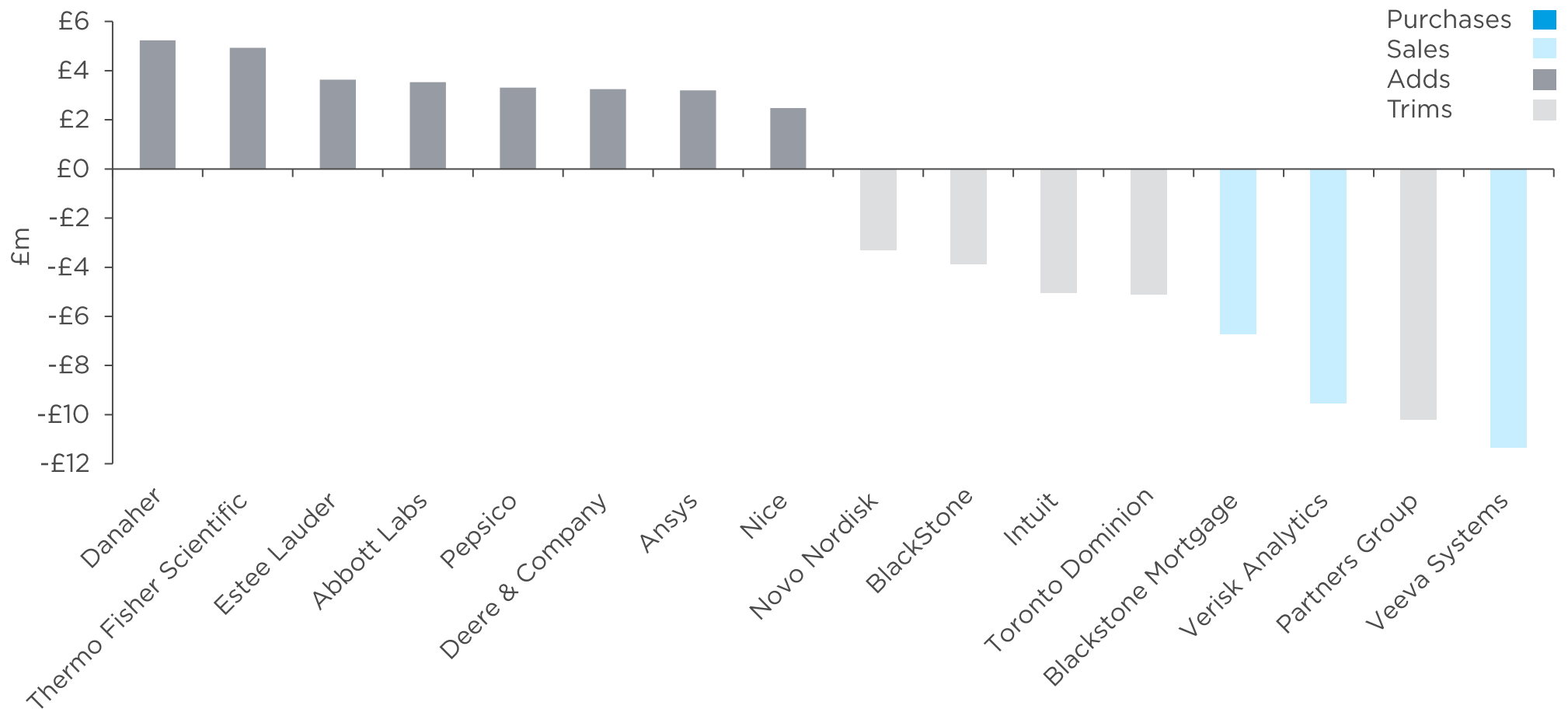
CBF Church of England Investment Fund

Security name	Portfolio weight %
The CBF Church of England Global Equity Fund	5.92
UK Treasury 4.5% 07/12/2042	2.83
UK Treasury Gilt 3.25% 22/01/2044	2.83
The CBF Church of England UK Equity Fund	2.71
The CBF Church of England Property Fund	2.20
CCLA Investment Management Limited	2.07
The CBF Church of England Short Duration Bond Fund	1.95
Microsoft	1.85
Amazon	1.46
Alphabet	1.24
ICON	1.23
Taiwan Semiconductor Manufacturing Company	1.21
Nice	1.18
TransUnion	1.14
Roper Technologies	1.10
Thermo Fisher Scientific	1.07
Intercontinental Exchange	1.07
Visa	1.05
Synopsys	1.03
Ansys	1.02



Source: CCLA, as at 31 March 2024. Holdings are subject to change.

Significant equity trades over the quarter



Source: CCLA as at 31 December 2023. Data shows CBF Investment Fund. Equity adds are capped to a minimum of +£2.45m and trims are capped at -£3m. The information does not constitute the provision of financial, investment or other professional advice.

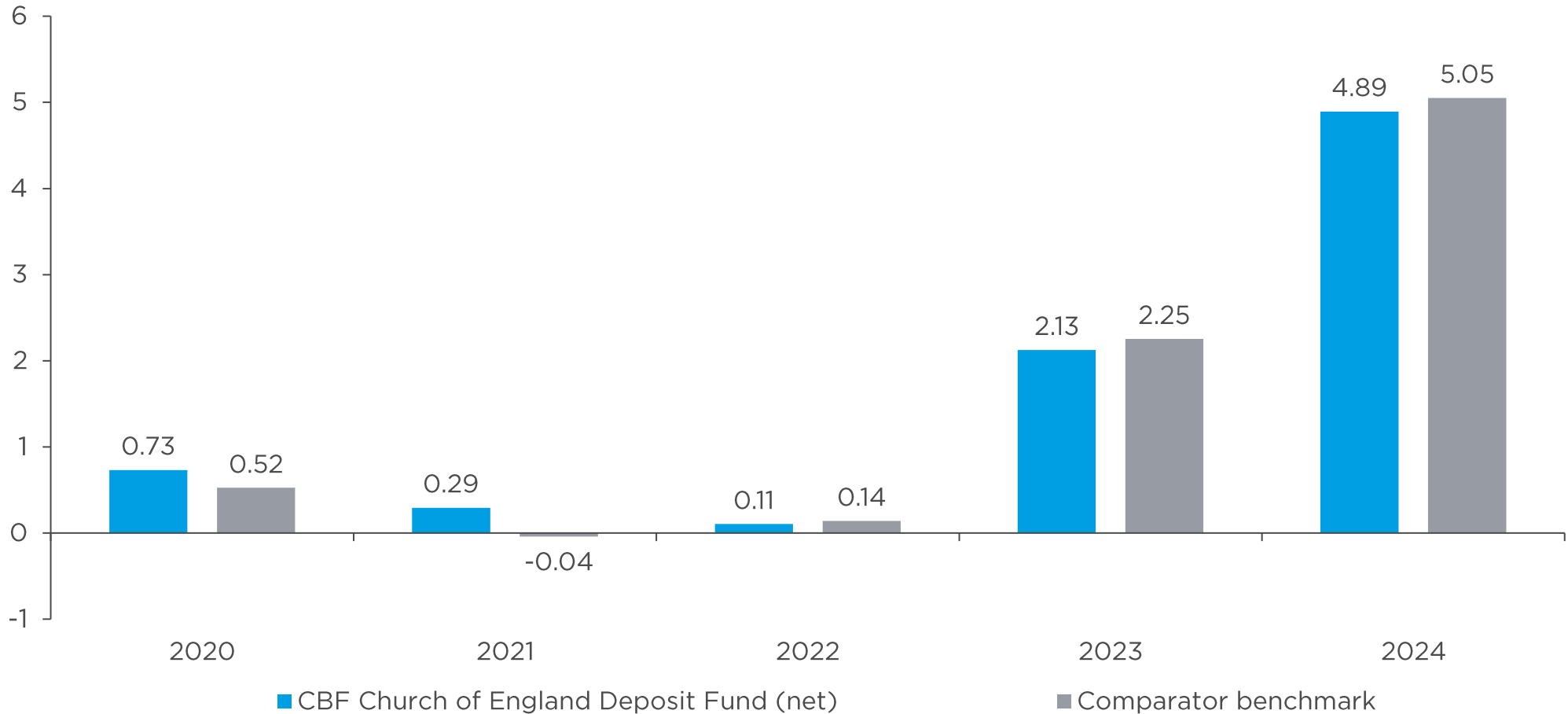
The CBF Church of England Deposit Fund

- AA Af/S1 credit quality rating by Fitch Ratings
- Clear focus on capital security
- Attractive rate regardless of the amount invested
- No minimum balance
- Daily liquidity
- Interest paid gross, quarterly
- Fund size £788m
- Current Deposit Rate – 5.3543% A.E.R.*

Source: CCLA as at 30 September 2023.

*Declared rate as at 24 October 2023. A.E.R. = annual equivalent rate, which illustrates what the annual interest rate would be if the monthly interest rates were compounded.

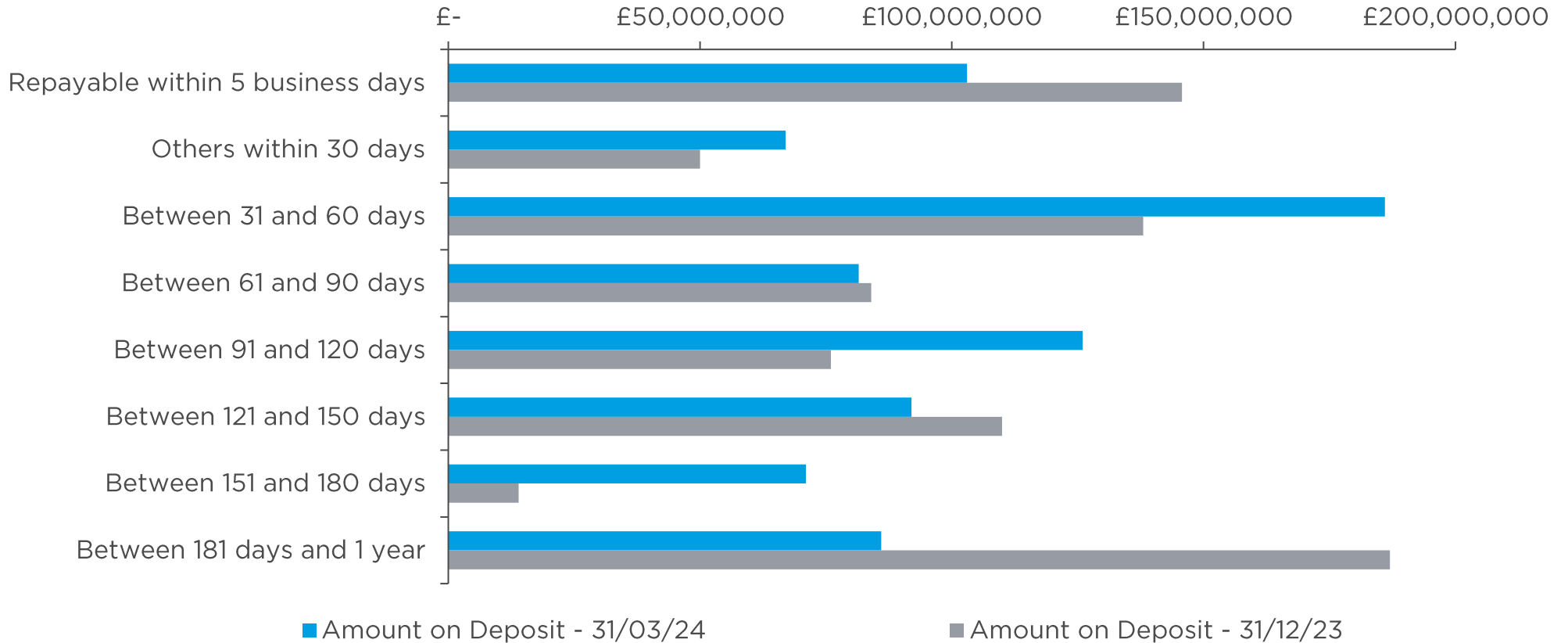
Discrete year performance



Source: CCLA, as at 31 March 2024 (*provisional data*). Comparator benchmark: Sterling Overnight Index Average (SONIA) from 1 January 2021. Previously, the comparator benchmark was the 7-Day Sterling London Interbank Bid Rate (7-Day LIBID). Total return performance shown net of management fees and expenses with gross income reinvested. Past performance is not a reliable indicator of future results.

Maturity profile

Weighted average maturity: 106.46 days (maximum 120 days)



Source: CCLA, as at 31 March 2024. Maturity profile of the CBF Deposit Fund. Subject to change

Approved institutions

54 approved institutions each with individual limits

ABN Amro Bank N.V.	DNB ASA	NatWest Markets plc
Australia and New Zealand Banking Group Limited	Deutsche Zentral-Genossenschaftsbank (DZ Bank AG)	Nordea Bank AB
Bank of America N.A.	HSBC UK Bank plc	Oversea-Chinese Banking Corporation
Bank of Montreal	HSBC Bank plc	Rabobank
Bank of New York Mellon (The)	ING Bank N.V.	Royal Bank of Canada
Bank of Nova Scotia (The)	JP Morgan Chase Bank N.A.	Santander UK plc
Bank of Scotland plc	KBC Bank N.V.	Skandinaviska Enskilda Banken AB
Barclays Bank UK plc	Landesbank Baden-Wuerttemberg	Societe Generale
Barclays Bank plc	Landesbank Hessen-Thuringen Girozentrale	Standard Chartered Bank plc
BNP Paribas	Leeds Building Society	SMBC Bank
Canadian Imperial Bank of Commerce	Lloyds Bank plc	SMBC International Bank plc
Citibank N.A.	Lloyds Bank Corporate Markets plc	Handelsbanken plc
Commonwealth Bank of Australia	Mizuho Bank	Toronto-Dominion Bank (The)
Coventry Building Society	MUFG Bank	UBS AG
Credit Agricole Corporate and Investment Bank	National Australia Bank Limited	United Overseas Bank Limited
Credit Industriel et Commercial	National Bank of Canada	Westpac Banking Corporation
Danske Bank AS*	Nationwide Building Society	Yorkshire Building Society
DBS Bank Limited	NatWest Bank plc	

Source: CCLA, as at 30 September 2023. Approved institutions CBF Deposit Fund. Subject to change.

Economic and market outlook

Consensus expectations

- Growth is expected to slow but avoid recession – the classical “soft landing”
 - US GDP +2.5% in 23, expected +2.4% in 24
 - UK GDP +0.3% in 23, expected +0.3% in 24
- Inflation continues to decelerate, allowing ...
- ... policy interest rates to be cut (1 cut in US)
- This is a goldilocks outcome – neither too hot nor too cold – which would be favourable for risk assets, particularly equities
- Geopolitics is the wild card, especially this year with so many elections
- Trump favoured to win the US Presidential, which the consensus would view positively for markets

Our expectations

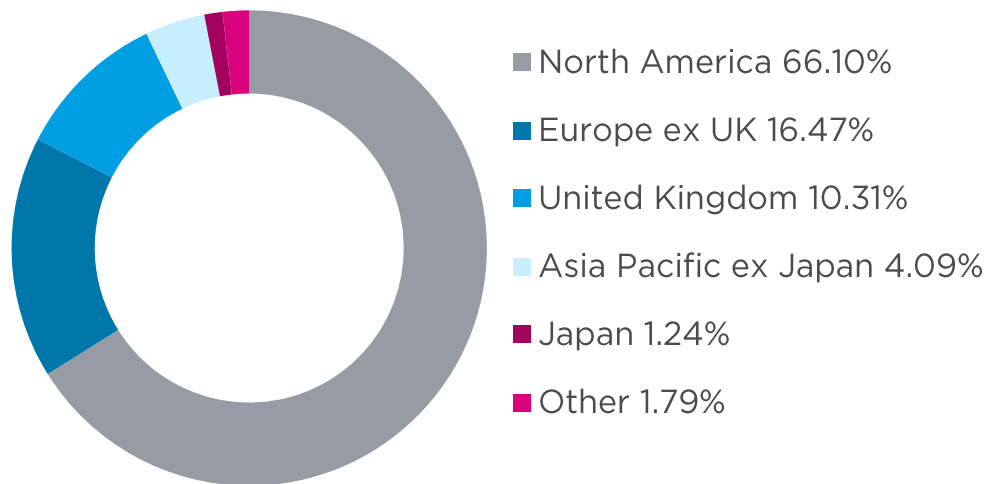
- Soft landings are rare in history – 9 of the last 12 tightening cycles ended in recession
- Yield curve inversion has been a very reliable indicator of recession but with long and variable lags – anywhere from 1-2 years post inversion usually
- That would indicate July 23-July 24 as the usual start point for a US recession
- But ... leading indicators have skirted recession territory, and bull markets run from recession to recession – so we keep risk on in multi-asset portfolios for now, watching as leading indicators inflect higher and consumer income supports the cycle
- Trump is inflationary – if he won and inflation were still above trend it would hurt markets

Source: CCLA, as at April 2024. 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.

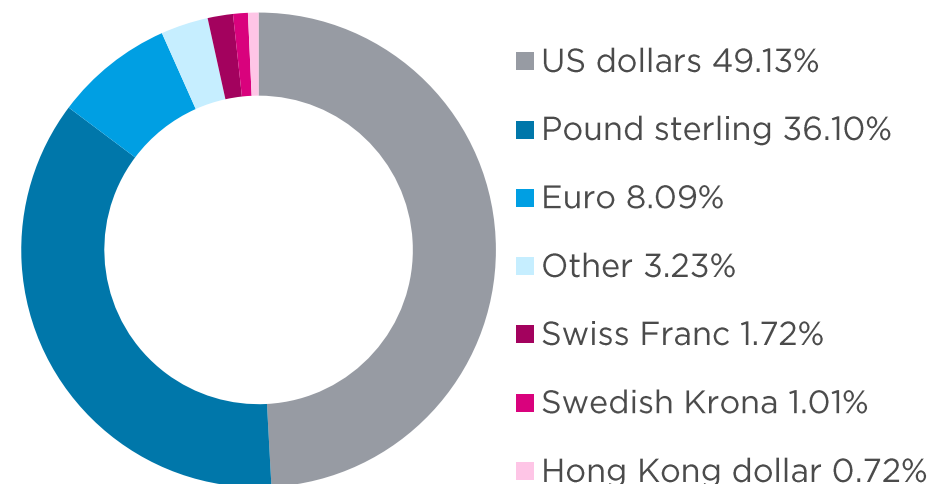
Appendix

Statement of positioning

Equity region weighting



Currency exposure



Source CCLA, as at 31 March 2024. Data shows CBF Investment Fund. Asset and sector allocation is subject to change.

A track record of catalysing real change



Net-zero portfolios through real-world action

- Long heritage of climate engagement, dating to 2010
- Founder signatory to the Net Zero Asset Manager's Initiative
- Co-created the Powering Past Coal Alliance Finance Principles
- Represented on the Delivery Group of the UK Transition Plan Taskforce

Source: CCLA, as at March 2024.



Improving the business response to modern slavery

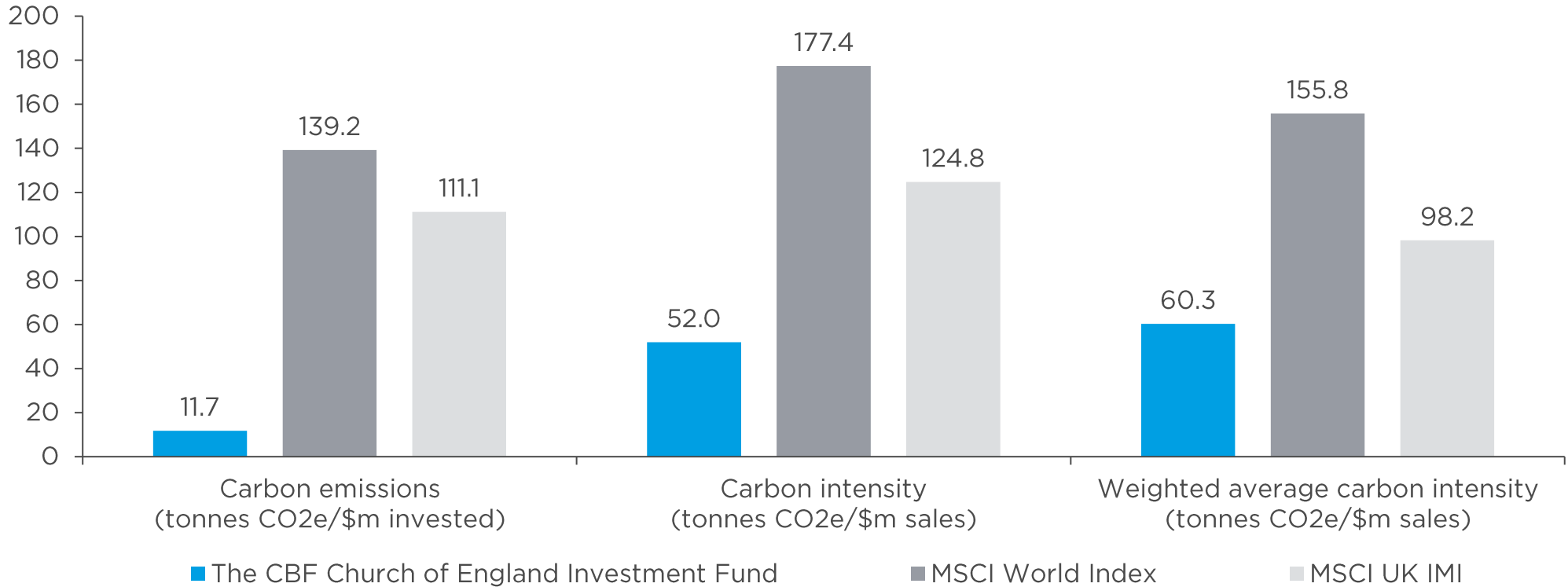
- Created 'Find It, Fix It, Prevent It', now supported by £14.8 trillion AUM
- First public ranking of UK listed businesses on modern slavery disclosures
- Former Independent Anti-Slavery Commissioner, Dame Sara Thornton, leads CCLA's modern slavery policy engagement
- Focused hospitality/construction sector engagements underway



Pushing for better workforce mental health

- Created the CCLA Corporate Mental Health Benchmark
- First public ranking of listed companies' approach to workplace mental health
- In 2022-23, 42 companies improved their ranking, with a combined workforce of >7 million
- Global Investor Coalition on Workplace Mental Health supported by £7.6 trillion

Carbon in focus



What is my portfolio's normalised carbon footprint per million dollars invested?

How efficient is my portfolio in terms of total carbon emissions per unit of output?

What is my portfolio's exposure to carbon-intensive companies?

Source: MSCI ESG Carbon Footprint Calculator, 1 January 2024. Scope 1 and 2 emissions. The MSCI UK IMI Index is used a proxy for the UK market.

Bond portfolio characteristics

Fixed income allocation in The CBF Church of England Investment Fund

Fund/security	Portfolio weight (%)	Modified duration (yrs)	Spread duration (%)	Yield to worst (%)
The CBF Church of England Short Duration Bond Fund*	2.00	1.64	2.46	5.03
Federated Hermes Sustainable Global Investment Grade Credit Fund	0.95	6.10	5.24	4.70
UKT 3.25 01/44	3.06	13.99	--	4.10
UKT 4.50 12/42	3.00	12.83	--	4.05
Fund (weighted)	9.02	0.90	0.10	4.35

Source: CCLA and Federated Hermes, as at 31 December 2023. Allocation is subject to change. *Portfolio management of the fund has been delegated to Federated Hermes under the oversight of CCLA and fund management remains the responsibility of CCLA as of 27 July 2022.

Alternatives positioning

Source: CCLA, as at 31 March 2024. Please note portfolio holdings are on a look through basis only. 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.

Asset class	Sub-asset class	CBF Investment Fund %
Contractual and other income	Alternative credit	0.85
	Renewable assets	0.10
	Royalties	0.42
Infrastructure and operating assets	Agriculture and forestry	0.08
	Alternative Credit	0.22
	Energy efficiency	1.22
	General infrastructure	3.44
	Logistics Warehouses	0.27
	Renewable assets	2.27
	Social infrastructure	1.62
	Student accommodation	0.31
Private equity and other	Private equity	3.08
Property	Farmland	0.42
	Generalist commercial	2.20
	Logistics warehouses	1.58
	Residential property	0.23
Total		18.31

Ethical restrictions

Theme	Further details	The CBF Church of England Funds
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 fissile materials
	Indiscriminate weaponry	Production of landmines, cluster munitions, chemical or biological weapons
Tobacco		≥10% revenue from production, distribution, retail and licensing of tobacco
Alcohol		≥25% revenue from production, distribution, retail and licensing of alcohol
Adult entertainment		≥3% revenue from production, distribution and retail of adult entertainment
Gambling		≥10% revenue from gambling operations, licensing and servicing
Cannabis		≥10% revenue non-medical cannabis
High interest rate lending		≥10% revenue from high interest rate lending
Oppressive regimes	Sovereign debt	The fund will not purchase sovereign debt issued by countries identified by CCLA as being among the world's most oppressive*

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.

Equity portfolio characteristics

Metric	The CBF Church of England Investment Fund	Equity benchmark	Difference
Price/earnings	21.9x	16.7x	5.2x
Earnings yield	4.57%	5.98%	-1.41%
Gross margin	36.64%	25.26%	11.38%
Operating margin	21.63%	16.49%	5.14%
Cash flow return on investment	27.35%	18.14%	9.21%
Return on equity	20.23%	16.58%	3.65%
Sales growth	6.59%	3.52%	3.07%
Earnings growth	12.15%	10.69%	1.45%
Volatility	15.67%	14.75%	0.92%
Net debt to shareholders' equity	28.62%	35.23%	-6.61%
Active share	78.15%		
Tracking error	4.61%		

Source: Credit Suisse HOLT and UBS Quant Answers, as at 31 March 2024. Equity benchmark: 75% MSCI World. Risk metrics and portfolio characteristics are subject to change. Please see the portfolio characteristic definitions in the appendix.

Costs and charges

The CBF Church of England funds	Fund management fee (% p.a.)			Ongoing charges figure (% p.a.)	
	AMC	Other expenses	Total	Cost of underlying investments	Total
Investment Fund	0.55	0.11	0.66	0.17	0.83
Global Equity Fund	0.60	0.02	0.64	0.03	0.65
UK Equity Fund	0.50	0.14	0.64	0.03	0.67
Short Duration Bond Fund	0.22	0.11	0.33	0.00	0.33
Property Fund	0.65	0.07	0.72	0.00	0.72
Deposit Fund	0.20	0.05	0.25	0.00	0.25

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 Ratings 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.

Performance comparator explained

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 CBF 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 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%.

Important information

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 prospectus 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. There may be difficulties in buying, selling, safekeeping or valuing investments in such countries. The annual management charge is paid from capital. 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 this fund is only available to charities within the meaning of section 1(1) of the Charities Act 2011.

We, CCLA Investment Management Limited (registered in England & Wales, No. 02183088, at One Angel Lane, London, EC4R 3AB) are authorised and regulated by the Financial Conduct Authority.

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BECAUSE GOOD IS BETTER