

# CCLA Better World Cautious Fund

## Investment objective

The fund aims to provide a total return (income plus capital growth) after costs, of inflation (as measured by the consumer prices index) plus 2% per year over the long term (defined as five years) and is managed in line with CCLA's Better World Policy. Being 'Cautious', the fund will invest no more than 50% by value in company shares (equities).

## Investment philosophy

The fund invests in a broad range of assets. As an actively managed multi-asset fund, the amount it invests in different asset classes will vary over time depending on economic/market conditions and our expectations of future returns and volatility. Where we invest in companies, we seek high-quality companies believing those that can grow returns consistently at valuations that are attractive, should lead to outperformance over the long term. We look for companies which in our opinion:

- demonstrate an enduring competitive advantage, measured by their cash flow return on investment and a strong track record of shareholder value creation
- benefit from clear long-term growth trends
- benefit from superior financial strength, with a strong balance sheet
- are trading at valuations that are attractive.

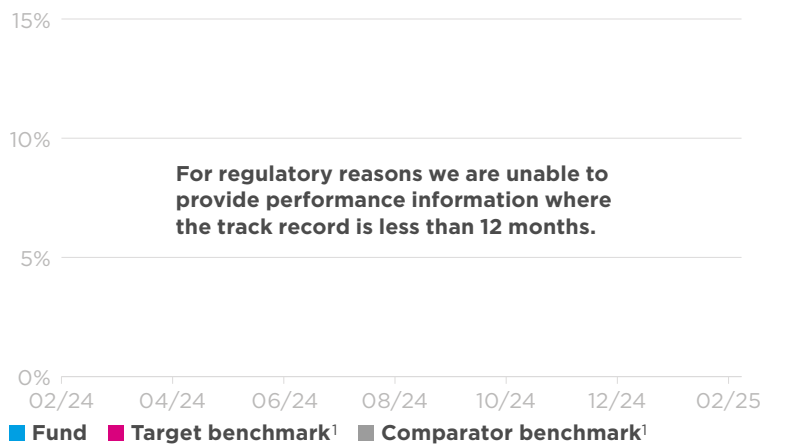
## The 'Better World' policy

- Acting as an agent for change, by:
  - actively using our ownership rights with a detailed engagement and voting policy
  - bringing investors together to address systemic issues
  - seeking to be a catalyst for change in the investment industry.
- Assessing companies' ESG criteria, avoiding companies that in our opinion have:
  - poor management and weak corporate governance
  - unacceptable social and environmental impact
  - an unwillingness to improve through investor engagement.
- Aligning our investments, acting as guardians of the assets we manage, with a responsibility to:
  - invest in a way that we believe is aligned with our clients' objectives, values and beliefs
  - report on the outcomes of our work
  - be transparent about what we do.

Further details of CCLA's Better World policy are available at [www.ccla.co.uk](http://www.ccla.co.uk).

## Performance

### Cumulative performance since launch (%)



### Cumulative performance (%)

	1m	3m	1yr	3yrs	5yrs	Since launch
<b>Fund</b>	-	-	-	-	-	-
Target benchmark	-	-	-	-	-	-
Comparator benchmark	-	-	-	-	-	-

### 12 month performance to 31 May (%)

	2020	2021	2022	2023	2024
<b>Fund</b>	-	-	-	-	-
Target benchmark	-	-	-	-	-
Comparator benchmark	-	-	-	-	-

Performance shown after management fees and other expenses with income reinvested. **Past performance is not a reliable indicator of future results.**

1 Please refer to the fund information section for details of the target and comparator benchmarks.

Please refer to [www.ccla.co.uk/glossary](http://www.ccla.co.uk/glossary) for explanations of terms used in this communication. If you would like the information in an alternative format or have any queries, please call us on 0800 022 3505 or email us at [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk).

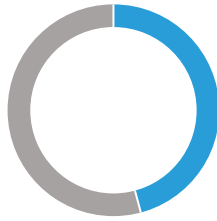
**Your capital is at risk. The value of your investment and any income from it may go down as well as up and you may not get back the amount you invested. The fund is exposed to foreign currencies and, as such, the fund's returns can also be affected by fluctuations in currency exchange rates.**

## Fund breakdown

**Total number of holdings** 114

### Top 10 holdings (%)

UK Treasury Gilt 3.25% 22/01/2044	7.2
UK Treasury 4.5% 07/12/2042	7.2
Federated Hermes Sustainable Global Inv. Grade Credit Fund	6.0
UK Treasury 4.25% 07/12/2040	5.2
Candriam Sustainable Bond Emerging Markets	5.1
UK Treasury 4.25% 07/12/2046	5.1
Pimco Global Investor Series Climate Bond Fund	4.4
Federated Hermes Climate Change High Yield Credit Fund	3.4
Brookfield	1.3
Microsoft	1.2



### Asset allocation (%)<sup>2</sup>

<b>Equities</b>	<b>37.1</b>
<b>Fixed income</b>	<b>43.4</b>
Government bonds	24.6
Corporate bonds	18.8
<b>Alternatives</b>	<b>16.7</b>
Infrastructure and operating assets <sup>3</sup>	10.7
Private equity	2.2
Contractual and other income <sup>4</sup>	2.1
Property	1.8
<b>Cash and near cash</b>	<b>2.7</b>

### Regional breakdown of equities (%)

North America	24.7
Europe excl. UK	6.3
United Kingdom	3.5
Asia Pacific excl. Japan	1.7
Other countries	0.5
Japan	0.5

## Dealing information

Dealing frequency	<b>Each business day</b>
Dealing deadline	<b>11:59am London time on the dealing day</b>
Settlement	<b>T+2</b>

<sup>2</sup> Totals may not sum due to rounding.

<sup>3</sup> Infrastructure: assets that facilitate the functioning of society with the potential for steady cash flows (energy-related & social).

<sup>4</sup> Contractual: assets generating contracted cashflows over a specific period and typically secured against assets.

<sup>5</sup> The ACD may waive this minimum level at its discretion.

<sup>6</sup> The estimated ongoing charges figure (OCF) includes the annual management charge (AMC) and other costs and expenses of operating and administering the fund such as depositary, custody, audit and regulatory fees. Where relevant, the OCF also includes synthetic charges. Synthetic charges are the effect that costs suffered as a result of investment in relevant underlying funds or similar investments have on the fund. The OCF does not include portfolio transaction costs. Further information on costs and expenses is available on our website.

<sup>7</sup> The AMC is deducted from capital. This has the effect of increasing the distributions for the year and restricting the fund's capital growth to an equivalent extent.

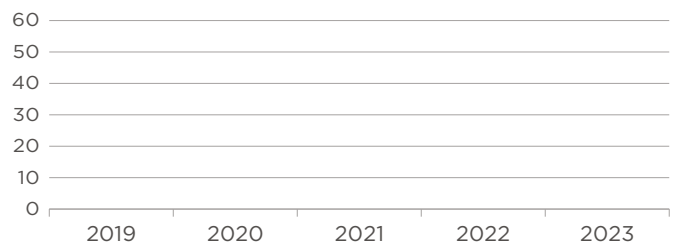
<sup>8</sup> The ACD cannot quote the historic yield until the fund has 12 months of historical distributions on which to base its calculations. The forecast yield shown is based on comparable historical data and in its calculation both the income of the fund and charges incurred have been estimated. Investors may be subject to tax on their distributions.

## Fund information

Company	<b>CCLA Investment Funds ICVC</b>
Authorised corporate director	<b>CCLA Investment Management Limited</b>
Domicile	<b>UK</b>
Legal structure	<b>ICVC</b>
Regulatory structure	<b>UK UCITS</b>
Shares available	<b>Income/Accumulation</b>
Fund launch date	<b>16 February 2024</b>
Fund size	<b>£134.0 million</b>
Target benchmark	<b>UK consumer prices index (CPI) + 2%</b>
Comparator benchmark (composite)	<b>MSCI World Index 40%, Markit iBoxx £ Gilts Index 30% and Markit iBoxx £ Non-Gilts Index 30%</b>
Minimum investment <sup>5</sup>	<b>£1,000</b>
Ongoing charges figure <sup>6</sup>	<b>0.84%</b>
Annual management charge <sup>7</sup>	<b>0.60%</b>
Forecast yield <sup>8</sup>	<b>2.96%</b>
ISIN	<b>Inc GBO0BRSDDP53 Acc GBO0BRSDDN30</b>
SEDOL	<b>Inc BRSDDP5 Acc BRSDDN3</b>
Income distribution dates	<b>Last business day of February, May, August and November</b>

## Past calendar year distributions

### Pence per share



## Risk and reward profile



The risk and reward indicator is based on a simulation of the volatility of the fund's value (using historical data) and it may change in the future. This fund is in category 4 because its simulated value has shown moderate levels of volatility historically.

For more information please refer to the key investor information document (KIID).

# Building a Better World

Investment markets can only ever be as healthy as the environment and communities that support them. For this reason, we seek to manage our clients' assets in a way that builds a better world.

## Acting as an agent for change

We believe that the best way to change company activities for the better is to be an active owner and to push for proactive public policy.



### Example: Sustainable Development Goal 13

#### Take urgent action to combat climate change and its impacts

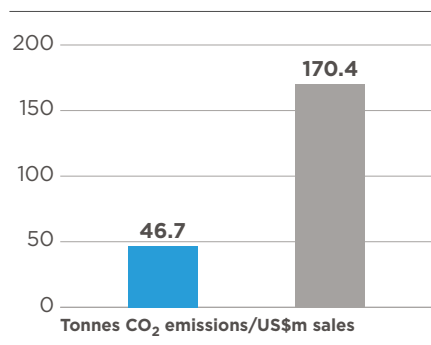
##### Nestlé

We are co-lead investor for Nestlé on behalf of the collaborative initiative, Climate Action 100+. In Q1, the company published its new sustainability report. There are three improvements that align clearly with the coalition's asks. Nestlé now benchmarks its emissions trajectory against a 2018 baseline; discloses the relative contribution of each decarbonisation lever to its annual total emissions reductions; and has introduced a 2023 Performance Share Unit Plan with greenhouse gas emissions reductions as a fourth pillar.

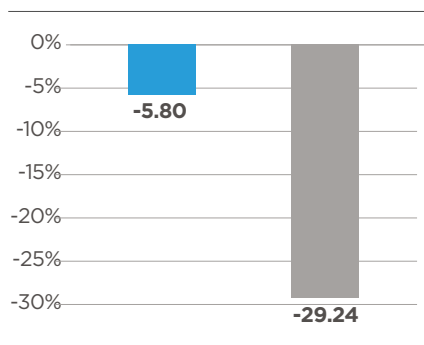
## Climate-related risk disclosures for listed equity assets

Data coverage: The carbon and climate metrics set out below ONLY cover the fund's holdings in listed equity investments, which represent **37.1%** of the value of the fund. Therefore, the figures stated do not represent the fund's total carbon footprint/ climate related impact for these metrics and are not comparable with other funds. Lower data coverage results in reduced reliability for these metrics.

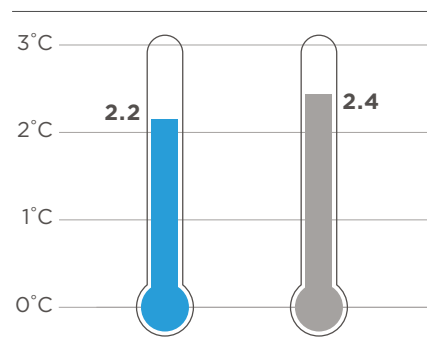
### Carbon footprint<sup>9</sup>



### Climate value at risk (%)<sup>10</sup>



### Implied temperature rise (°C)<sup>11</sup>



■ Fund  
■ MSCI World Index

Source: MSCI.

<sup>9</sup> Measures the carbon efficiency of a portfolio, defined as the ratio of carbon emissions for which an investor is responsible to the sales for which an investor has a claim by their equity ownership. This measure allows investors to know how many emissions units per dollar of sales are generated from their investment.

<sup>10</sup> Is a forward-looking measure of risk which estimates the amount of loss the portfolio may experience in future due to the impacts of climate change. The model used to calculate this measure is the REMIND 1.5°C NGFS Orderly transition scenario with an average physical risk scenario model. For further information on the model used, please visit [www.ngfs.net/ngfs-scenarios-portal](http://www.ngfs.net/ngfs-scenarios-portal).

<sup>11</sup> Implied Temperature Rise (ITR) provides a portfolio level number in degrees of Celsius demonstrating how aligned the companies in the portfolio are to global temperature goals. It is a forward-looking metric that shows how a company aligns with the ambitions of the Paris Agreement - which is to keep a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C.

# How do I assess the performance of the fund?

Investors can assess the fund's performance against the fund's target benchmark. The fund's performance can also be assessed against the fund's comparator benchmark. The comparator benchmark has been designed to broadly reflect the risk/return profile of the fund and its underlying assets portfolio over the long term.

## Important information

Source for data is CCLA unless otherwise stated.

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 investor information document and prospectus and consider the risk factors identified in those documents. The fund may not be appropriate for investors who wish to withdraw their investment within five years.

CCLA 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. Any forward-looking statements are based on our current opinions, expectations and projections. We may not update or amend these. Actual results could be significantly different than expected.

Issued by CCLA Investment Management Limited (registered in England and Wales, number 2183088, at One Angel Lane, London EC4R 3AB) who is authorised and regulated by the Financial Conduct Authority.

For information about how we collect and use your personal information please see our privacy notice, which is available at [www.ccla.co.uk/privacy-notice](http://www.ccla.co.uk/privacy-notice).

---

CCLA  
One Angel Lane  
London EC4R 3AB

**CCLA**  
BECAUSE GOOD IS BETTER

Freephone **0800 022 3505**  
[clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)  
[www.ccla.co.uk](http://www.ccla.co.uk)

---

### Notice and disclaimer for reporting licences

Certain information herein is reproduced by permission of MSCI Inc., its affiliates and information providers (MSCI) ©2024. No reproduction or dissemination of the information is permitted without an appropriate licence. MSCI makes no express or implied warranties (including merchantability or fitness) as to the information and disclaims all liability to the extent permitted by law. No information constitutes investment advice, except for any applicable Information from MSCI ESG Research. Subject also to [msci.com/disclaimer](http://msci.com/disclaimer).

### Blended index returns disclaimer

The comparator benchmark (blended index returns) is calculated by CCLA using end-of-day index-level values licensed from MSCI (MSCI data). For the avoidance of doubt, MSCI is not the benchmark administrator for, or a contributor, submitter or supervised contributor to, the blended index returns, and the MSCI data is not considered a contribution or submission in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI data is provided as is, without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilising any MSCI data, models, analytics or other materials or information.