

Charitable Funds Investment Performance Review Sub Committee

Tue 24 March 2026, 10:00 - 12:00

Teams

Agenda

10:00 - 10:00 1. STANDARD BUSINESS 0 min

1.1. Apologies

Led by Hilary Jones, Chair

1.2. In Attendance


Led by Hilary Jones, Chair

1.3. Declarations of Interest

Led by Hilary Jones, Chair


1.4. Draft minutes of the from the meeting of the Investment Committee held on 30th September 2025

Led by Hilary Jones, Chair

 1.4 MINUTES CF Investment Performance Sub-Committee 30 September 2025.pdf (5 pages)

1.5. Actions/Rolling Updates/Matters Arising

Led by Hilary Jones, Chair


 1.5 PUBLIC CHARITABLE FUNDS INVESTMENT PERFORMANCE REVIEW SUB COMMITTEE ACTION LOG - MARCH 2026.pdf (1 pages)

10:00 - 10:00 2. LIQUIDITY MANAGEMENT REVIEW 0 min

Led by Steve Coliandris, Deputy Director of Finance

2.1. Liquidity Management Review Report (including cash flow forecast)

Led by Steve Coliandris, Deputy Director of Finance

 2.1a - Charity Liquidty Management Review - Investment Committee March 26.pdf (8 pages)

 2.1b - Appendix 1 Cashflow Forecast 2025-26 - Investment Committee March 26.pdf (2 pages)

10:00 - 10:00 3. INVESTMENT ADVISORS UPDATE 0 min

Led by Miranda Richards, LGT

3.1. Presentation to Velindre University NHS Trust(Performance Figures)

Led by Miranda Richards, LGT

 3.1 Velindre Meeting Papers 17.03.2026.pdf (31 pages)

10:00 - 10:00 4. ADMINISTRATION AND GOVERNANCE

0 min

Led by Steve Coliandris, Deputy Director of Finance

4.1. Charitable Funds Investment Policy – verbal update

Led by Steve Coliandris, Deputy Director of Finance

10:00 - 10:00 5. ANY OTHER BUSINESS

0 min

10:00 - 10:00 6. DATE AND TIME OF THE NEXT MEETING

0 min

Thursday 29th September 2026 at 10am

10:00 - 10:00 7. CLOSE

0 min

**MINUTES OF THE PRIVATE CHARITABLE FUNDS
INVESTMENT PERFORMANCE REVIEW SUB-COMMITTEE**

**VELINDRE UNIVERSITY NHS TRUST – MICROSOFT TEAMS
TUESDAY 30TH SEPTEMBER 2025 AT 10:00AM**

| PRESENT: | |
|---------------------------|--|
| Hilary Jones (HJ) | Independent Member |
| Matthew Bunce (MB) | Executive Director of Finance |
| ATTENDEES: | |
| Anne Carey (AC) | Chief Operating Officer |
| Steve Coliandris (SC) | Deputy Director of Finance |
| Claire Bowden (CB) | Head of Financial Planning & Reporting |
| Llinos Madeley (LIM) | Head of Corporate Governance |
| Paul Wilkins (PW) | Charity Director |
| Miranda Richards (MR) | LGT Investment Manager, Charities and Institutions |
| Niké Hooper-Collins (NHC) | Business Support Officer / Secretariat |

| 1.0.0 | Standard Business Led by Hilary Jones, Committee Acting Chair and Independent Member | Action |
|--------------|--|---------------|
| 1.1.0 | <p>In Attendance Led by Hilary Jones</p> <p>Attendance was as noted above.</p> <p>The Chair welcomed Miranda Richards attendee from LGT Wealth Management to the meeting.</p> | |
| 1.2.0 | <p>Apologies Led by Hilary Jones</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> • Sara Moseley, Trust Chair • David Donegan, Chief Executive Officer • Non Gwilym, Interim Executive Director of Governance | |
| 1.3.0 | <p>Declarations of Interest Led by Hilary Jones</p> <p>No Declarations of Interest were declared.</p> | |
| 1.4.0 | <p>Draft Minutes from the meeting held on 18 March 2025 Led by Hilary Jones</p> <p>The Committee APPROVED the minutes from 18 March 2025, as a true and accurate record of the meeting.</p> | |
| 1.5.0 | <p>Actions/Rolling Updates/Matters Arising Led by Matthew Bunce, Executive Director of Finance and Steve Coliandris, Head of Financial Planning & Reporting</p> | |

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| | <p>The Committee NOTED the updates and discussed the remaining OPEN actions as below:</p> <p>Action from 19.09.24 (3.1.0) 4 The request has been made to include David Donegan as a signatory and Miranda Richards confirmed that it has been put in place but the names have not been updated to reflect the updated signatories on the presentation.</p> <p>Action from 18.03.25 (2.1.0) 5 (CLOSE) Steve Coliandris provided a verbal update on the Liquidity Management Review at Charitable Funds Charitable on 19th March 2025, which APPROVED.</p> <p>The Committee APPROVED the CLOSED actions which would now be removed.</p> | |
| 2.0.0 | LIQUIDITY MANAGEMENT REVIEW Led by Steve Coliandris, Deputy Director of Finance | |
| 2.1.0 | <p>Liquidity Management Review Report (including cash flow forecast) Led by Steve Coliandris, Deputy Director of Finance</p> <p>The Chair invited Steve Coliandris to present the report and Cash Flow Forecast for 2025-26 as of 31st August 2025.</p> <p>Based on the level of forecast income and commitments against the Charity the forecast cash balance of the Charitable funds bank account is expected to run into a negative balance around December 2025, with the balance gradually reducing over the course of 2025-26 due to the high level of commitments against the Charity.</p> <p>The income target for the Charity has been set at £4.4m for 2025-26. At this stage prior to any further approval of bids forecast expenditure commitments against the Charity is expected to be c£7.9m for 2025-26.</p> <p>Therefore, in order to ensure cash levels are maintained it is advised that cash needs to be held on a short term liquid basis on order to meet commitments as they fall due.</p> <p>Mathew Bunce confirmed that he is content to support this approach.</p> <p>Hilary Jones asked how this is managed and Steve Coliandris confirmed that it is managed withiin the Trust by Claire Bowden, Head of Financial Planning & Reporting and Olivia Angilley, who has been appointed as the Senior Finance Business & Reporting Partner.</p> <p>The Committee DISCUSSED and REVIEWED the current level of cash balances that is currently held in the Charity's bank account and based on the future anticipated cash flow and future commitments the advice is to AGREED to take NO action at this stage, however cash balances will be closely monitored due to the potential position of running a negative balance as we approach the final quarter of the year.</p> | |
| 3.0.0 | INVESTMENT ADVISORS UPDATE Led by Miranda Richards, LGT | |

3.1.0 Presentation including Performance Figures, Risk Guide, Environmental, Social and Governance Score (ESG) Reports
Led by Miranda Richards, LGT

The Chair invited Miranda to provide an update and began by discussing the investment requirements and restrictions on alcohol and tobacco.

Steve Coliandris asked what tools are used for core responsible investment screening and Miranda Richards confirmed that it was MSCI.

****Action**** Steve Coliandris confirmed that he will update the Investment Policy to include this information.

SC

Mathew Bunce asked for clarification on the restrictions against alcohol or tobacco; and Miranda Richards explained that means if a company has 5% or more in revenue from either then the Trust would not be able to invest and advised that other clients have similar restrictions in place.

Portfolio Performance

The snapshot below provides details of the Trusts investment requirements and portfolio performance to 22nd September 2025.

| | Portfolio Value | Estimated income | Estimated Forward Yield* |
|---------------------------------|-----------------|------------------|--------------------------|
| Velindre - Investment Portfolio | £9,763,734 | £260,231 | 2.7 |
| Velindre - Liquidity Portfolio | £10,945,600 | £511,492 | 4.7 |

Longer term performance figures are up 2.8% from 2024 and above the CPI target and the Trust is performing better against other clients who are similarly investing in the same structure. LGT are unable to disclose further details of Client A,B,C and CCLA, however, Matthew Bunce asked for assurance that the same clients will be used for future comparisons.

Portfolio Asset Allocation & Activity

Miranda Richards confirmed that the investment allocation is in a neutral position, however, it was noted that we are slight behind in Technology investment and ahead in Industrial investment.

Steve Coliandris asked if we get any return on the cash that is held in the Investment portfolio; Miranda confirmed that it is currently 3%.

Miranda Richards presented high level portfolio activity and commentary over 3 months to 31st August 2025, with key extracts below:

- Initiated a position in S&P Global –an oligopolistic position in ratings and long-term beneficiary of increased demand for data.
- Bought Halma, high quality UK based company with collection of engineering businesses.
- Following the redemption of the Volare funds, we bought Columbia Threadneedle social bond fund, Brown Advisory Global sustainable bond

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|---------------------|--|--------------------|
| | <p>fund and Capital Group global corporate bond fund. Initiated a holding in Meta.</p> <ul style="list-style-type: none"> • Trimmed Prologis and Apple to fund purchases. Some concerns that the Apple model (designed in California, made in China) would suffer under the new tariff regime. • The first half of 2025 has been an exceptionally volatile period for financial markets, following the uncertainty relating to tariffs and rising geopolitical instability. • Gains in global equities over the second quarter masked the extreme volatility experienced in early April when the American President unveiled his sweeping tariffs on so-called Liberation Day. • The tariffs prompted sharp declines across equity and bond markets worldwide, with the S&P 500 posting its fifth biggest two-day decline since World War II, although the American Presidents subsequent backtrack on tariffs along with a strong first quarter earnings season helped stocks and bonds recover. • The dollar was the real victim of the quarter, as erratic policymaking from the US administration eroded confidence in the greenback. • In terms of equity market performance there was a marked rotation out of US and into UK, European and Chinese/HK equities when adjusting for currency. • The main aim of our portfolio construction actions has been to double-down on improving the overall quality of the portfolios (exiting smaller, lower conviction holdings where the investment cases have shifted or weakened) whilst also striving for a good balance of exposures. <p>Sustainable growth and Carbonisation</p> <p>On a carbon footprint basis, the portfolio is 17.92% less carbon intensive than the MSCI ACWI reference index. On a WACI basis, the portfolio is 5.21% more carbon intensive than the MSCI ACWI reference index.</p> <p>The LGT ESG score is determined by LGT's in-house rating tool, the ESG Navigator. The score integrates a data-based assessment of a company's corporate ESG profile, product impact and controversies. The portfolio score is an aggregation of the scores of the underlying direct holdings and funds. We translate these scores into a star rating ranging from 1-5 stars.</p> <p>The Trust rating is currently at 4 stars. Steve Coliandris asked how we could achieve 5 stars and it was explained that the majority of stock investment covering I.T and Technology would be required to accomplish this.</p> <p>Miranda Richards explained that the decarbonisation pathway rating is currently 32% which is better than the benchmark.</p> <p>**Action** There were some mistakes highlighted by Miranda Richards in the presentation so she will share an updated version with the Secretariat or Steve Coliandris to re-circulate to the group.</p> | <p>NHC/ SC</p> |
| <p>4.0.0</p> | <p>ADMINISTRATION AND GOVERNANCE Led by Steve Coliandris, Deputy Director of Finance</p> | |
| <p>4.1.0</p> | <p>Charitable Funds Investment Policy Led by Steve Coliandris, Deputy Director of Finance</p> | |

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| | <p>Steve Coliandris shared a new draft of the Investment Policy, highlighting significant changes from the previous version following advice from the investment managers and benchmarking with similar Charities in the sector, and requested review and feedback from the group. The aim is to update the policy in time for the Charitable Funds Committee in December, with further workshops planned for a broader review next year.</p> <p>Discussion focused on the scope of ethical restrictions, including whether to specifically exclude investments in Russia and Belarus or to use a broader reference such as the UK Government sanctions list. There was consensus to remove specific country names in favor of a more general approach.</p> <p>The group debated the effectiveness and clarity of using ESG criteria versus specific exclusions. Concerns were raised about the subjectivity of terms like "moral grounds" and the practicality of assessing impacts on beneficiaries and supporters. The need for clearer definitions and evidence-based tools was emphasised.</p> <p>It was agreed to update references in the policy to include the Trustees Investment Act 1961 and relevant Charity Commission guidance, changing the section title to "Legislation and Guidance."</p> <p>**Action** Steve Coliandris will revise the policy based on feedback, consult with investment advisors and circulate the updated draft with tracked changes for further comments out of committee. The policy will be endorsed by the committee before final sign-off by the Charitable Funds Committee in December. Workshops will be scheduled to review restrictions and develop a longer-term policy update.</p> <p>The group AGREED on the need for a timely update to the policy for December, with the intention to endorse it for approval to the Charitable Funds Committee after these changes are made.</p> | SC |
| 5.0.0 | ANY OTHER BUSINESS | |
| | None. | |
| 6.0.0 | DATE AND TIME OF NEXT MEETING | |
| | 5th March 2026, 10:00am | |
| 7.0.0 | CLOSE | |
| | The meeting closed at 11:31am. | |

ACTION LOG

| MEETING DATE | AGENDA ITEM | Action number | ACTION | LEAD | DEADLINE DATE | UPDATE (including date) | STATUS | IF CLOSED WHAT ACTION WAS TAKEN |
|--------------|-------------|---------------|---|---------------------------------------|---------------|---|------------------|---------------------------------|
| 01.12.2022 | | | Presentation to Velindre University NHS Trust (Performance Figures) | | | | | |
| | 3.1.0 | 3 | Feedback on comparison with other NHS Charities: Steve Coliandris asked if there was information on where other NHS Charities sit (especially in Wales and England) in terms of their portfolios and carbon emissions as it was felt this information would be helpful when reviewing how the Charity is doing on a like for like basis. Miranda Richards agreed to find out where Velindre University NHS Trust Charity sits compared with other NHS Charities and feedback this information. NEW ACTION: Miranda offered to share concept of other charities. | Miranda Richards | | Update 18.03.2025: Miranda Richards offered to share concept of other charities. | OPEN | |
| 18.03.2025 | | | Presentation to Velindre University NHS Trust (Performance Figures) | | | | | |
| | 3.1.0 | 4 | Authorised Signatories: The authorised signatories need to be updated and changed from two signatories to three. Need update to include Carl James, Interim Chief Executive Officer, Matthew Bunce, Executive Director of Finance and Hilary Jones, Independent Member. | Steve Coliandris and Miranda Richards | | Update 18.03.25: Steve Coliandris & Matthew Bunce to include David Donegan as a signatory and keep Carl James as a back up. Miranda Richards advised that 2 out of 3 are required. | Propose to close | |
| 18.03.2025 | | | Presentation to Velindre University NHS Trust (Performance Figures) | | | | | |
| | 3.1.0 | 6 | Steve Coliandris asked how the benchmark is set and Miranda Richards agreed to include these details in the presentation at the next meeting. | Miranda Richards | | Secretariat reminded of the requests to be included in the March meeting | Propose to close | |
| | 3.1.0 | 7 | The group discussed the risk of investing into portfolio incase the need to withdraw within a short term arises. Miranda Richards will provide a variety of sustainable bond options at the next meeting. Miranda Richards to provide a variety of sustainable bond options at the next meeting. | Miranda Richards | | Secretariat reminded of the requests to be included in the March meeting | Propose to close | |

CHARITABLE FUNDS INVESTMENT COMMITTEE

Liquidity Management review

| | |
|--|--|
| DATE OF MEETING | 24/03/2026 |
| PUBLIC OR PRIVATE REPORT | Public |
| IF PRIVATE PLEASE INDICATE REASON | NOT APPLICABLE - PUBLIC REPORT |
| REPORT PURPOSE | APPROVAL |
| IS THIS REPORT GOING TO THE MEETING BY EXCEPTION? | NO |
| PREPARED BY | Steve Coliandris, Deputy Director of Finance Olivia Angilley, Senior Finance Business Partner |
| PRESENTED BY | Steve Coliandris, Deputy Director of Finance |
| APPROVED BY | Matthew Bunce, Executive Director of Finance |
| EXECUTIVE SUMMARY | This paper and the supporting schedules have been completed to provide the Charitable Funds Investment Committee with the current and estimated future cash balances of the charitable funds bank accounts, in order to evaluate and monitor the liquidity levels and take action as seen necessary. |
| RECOMMENDATION / ACTIONS | The Investment Committee is asked to discuss and review the current level of cash balances that is currently held in the Charity's bank account and |

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| | based on the future anticipated cash flow and future commitments the advice is to Agree to transfer £1m from the Investment liquidity account into the Charity bank account in order to meet the forecast commitments up until July 26. |
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| GOVERNANCE ROUTE | |
|--|------|
| List the Name(s) of Committee / Group who have previously received and considered this report: | Date |
| | |
| SUMMARY AND OUTCOME OF PREVIOUS GOVERNANCE DISCUSSIONS | |

| 7 LEVELS OF ASSURANCE | |
|---|-----------------------------------|
| N/A – Report for Discussion | |
| ASSURANCE RATING ASSESSED BY BOARD DIRECTOR/SPONSOR | Select Current Level of Assurance |

| APPENDICES | |
|------------|---|
| Appendix 1 | Cash Flow Forecast for 2025/26 and 2026/27 as of 28 February 2026 |

1. SITUATION

- 1.1 This paper and the supporting schedules have been completed to provide the Charitable funds Committee with the current and estimated future cash balances of the charitable funds bank accounts, in order to evaluate and monitor the liquidity levels and take action as seen necessary.

2. BACKGROUND

- 2.1 The report is a standing agenda item providing the Investment committee with the current cash balance of the charitable fund's accounts, and the estimated future cash flows based on the level of committed and forecasted expenditure.

If the committee feels that the charity is holding too much cash, a decision is required on whether income could be better used by being transferred into the investment portfolio.

Likewise, if the Committee feels that the Charity is not holding enough cash, whether it deems it necessary to return income from the investment portfolio back into the Charity's bank account.

3. ASSESSMENT

The following cash flow statements are attached for reference.

- Cash Flow Forecast for 2025-26 as of 28th February 2026
- Cash Flow Forecast for 2026-27 as of 28th February 206

- 3.1 The forecast income for 2026/27 is expected to be c3.9m. At this stage prior to any further approval of bids forecast expenditure commitments against the Charity is expected to be c£8.4m for 2026-27.
- 3.2 Based on the level of forecast income and commitments against the Charity the forecast cash balance of the Charitable funds bank account is expected to run into a negative balance in April 2026.

Therefore, in order to ensure cash levels are maintained it is advised that £1m should be drawn down from the Investment Liquidity account into the Charity short term cash account in on order to meet the forecast commitments as they fall due.

4. SUMMARY OF MATTERS FOR CONSIDERATION

The Investment Committee is asked to:

Discuss and review the current level of cash balances that is currently held in the Charity's bank account based on the future anticipated cash flow to **Agree** to **transfer £1m** from the Investment liquidity account into the Charity bank account in order to meet the forecast commitments up until July 26.

The cash position is closely monitored by the Charity finance team and further action will be taken to draw funds from the Investment liquidity fund when / if

necessary to ensure the Charity can meet its expenditure commitments when they fall due.

5. IMPACT ASSESSMENT

| TRUST STRATEGIC GOAL(S) | |
|--|---|
| Please indicate whether any of the matters outlined in this report impact the Trust's strategic goals: <p style="text-align: center;">YES - Select Relevant Goals below</p> | |
| If yes - please select all relevant goals: <ul style="list-style-type: none"> • Outstanding for quality, safety, and experience <input checked="" type="checkbox"/> • An internationally renowned provider of exceptional clinical services that always meet, and routinely exceed expectations <input checked="" type="checkbox"/> • A beacon for research, development, and innovation in our stated areas of priority <input checked="" type="checkbox"/> • An established 'University' Trust which provides highly valued knowledge for learning for all. <input checked="" type="checkbox"/> • A sustainable organisation that plays its part in creating a better future for people across the globe <input checked="" type="checkbox"/> | |
| RELATED STRATEGIC RISK - TRUST ASSURANCE FRAMEWORK (TAF) <i>For more information: STRATEGIC RISK DESCRIPTIONS</i> | 08 - Trust Financial Investment Risk Financial Sustainability and Long-Term Value. |
| QUALITY AND SAFETY IMPLICATIONS / IMPACT | Select all relevant domains below <ul style="list-style-type: none"> Safe <input checked="" type="checkbox"/> Timely <input checked="" type="checkbox"/> Effective <input checked="" type="checkbox"/> Equitable <input checked="" type="checkbox"/> Efficient <input checked="" type="checkbox"/> Patient Centred <input checked="" type="checkbox"/> |



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| | <p>The Key Quality & Safety related issues being impacted by the matters outlined in the report and how they are being monitored, reviewed, and acted upon should be clearly summarised here and aligned with the Six Domains of Quality as defined within Welsh Government's Quality and Safety Framework: Learning and Improving (2021).</p> <p><i>[Please include narrative to explain the selected domain in no more than 3 succinct points].</i></p> <p>Click or tap here to enter text</p> |
| <p>QUALITY IMPACT ASSESSMENT</p> <p><i>The duty of quality requires quality-driven decision-making for all strategic decisions. The duty of quality is operationalised through the Health and Care Quality Standards. Therefore, when making decisions about healthcare services, NHS organisations are required to consider the impact of that decision on the Health and Care Quality Standards.</i></p> | <p>Not required - not a strategic decision</p> <p>The QIA tool should be completed to support any proposal for a strategic decision to be made and be presented with the proposal to the appropriate decision-making forum. The QIA tool does not replace the need for the proposal; it accompanies it.</p> <p>As a minimum, decisions made by the Board or by Committees of the Board are considered strategic and should be assessed for their impact on Quality through the lens of the Health and Care Quality Standards. This culture and discipline of quality-driven decision-making should also permeate the organisation to more broadly promote good decision-making practice.</p> |
| <p>SOCIO ECONOMIC DUTY ASSESSMENT COMPLETED:</p> <p>For more information: https://www.gov.wales/socio-economic-duty-overview</p> | <p>Not required</p> <p><i>[In this section, explain in no more than 3 succinct points why an assessment is not considered applicable or has not been completed].</i></p> <p>Click or tap here to enter text</p> |
| <p>TRUST WELL-BEING GOAL(S) IMPLICATIONS / IMPACT</p> | |



The Trust Well-being goals being impacted by the matters outlined in this report should be clearly indicated. Please indicate whether any of the matters outlined in this report impact the Trust’s Wellbeing goals:

YES - Select Relevant Goals below

If yes select the relevant goals:

- A Prosperous Wales - An innovative society that develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities.
- A Resilient Wales - Maintaining and enhancing a biodiverse natural environment with healthy functioning ecosystems that support social, economic, and ecological resilience.
- A Healthier Wales - Physical and mental well-being are maximised and in which choices and behaviours that benefit future health
- A More Equal Wales - A society that enables people to fulfil their potential no matter what their background or circumstances
- A Wales of Cohesive Communities - Attractive, viable, safe, and well-connected communities.
- A Wales of Vibrant Culture and Thriving Welsh Language -Promoting and protecting culture, heritage, and the Welsh language, encouraging people to participate in the arts, and sports and recreation.
- Globally Responsible Wales – Consideration of whether an action may make a positive contribution to global well-being

FINANCIAL IMPLICATIONS / IMPACT

There is no direct impact on resources as a result of the activity outlined in this report.

Source of Funding:
Other (please explain)

Please explain if ‘other’ source of funding selected:
[Click or tap here to enter text](#)

Type of Funding:
Choose an item

Scale of Change
Please detail the value of revenue and/or capital impact:
[Click or tap here to enter text](#)



| | |
|--|--|
| | <p>Type of Change Choose an item Please explain if 'other' source of funding selected: Click or tap here to enter text</p> |
| <p>EQUALITY IMPACT ASSESSMENT For more information: https://nhs.wales365.sharepoint.com/sites/VEL_Intranet/SitePages/E.asp X</p> | <p>Not required - please outline why this is not required</p> <p><i>[In this section, explain in no more than 3 succinct points what the equality impact of this matter is or not (as applicable)].</i></p> |
| <p>ADDITIONAL LEGAL IMPLICATIONS / IMPACT</p> | <p>There are no specific legal implications related to the activity outlined in this report.</p> <p>Click or tap here to enter text</p> <p><i>[In this section, explain in no more than 3 succinct points what the legal implications/ impact is or not (as applicable)].</i></p> |

6. RISKS

This section should indicate whether any matters addressed in the report carry a significantly increased level of risk for the Trust – and if so, the steps that will be taken to mitigate the risk - or if they will help to reduce a risk identified on a previous occasion.

| | |
|--|--|
| <p>ARE THERE RELATED RISK(S) FOR THIS MATTER</p> | <p>Choose an item</p> |
| <p>WHAT IS THE RISK?</p> | |
| <p>WHAT IS THE CURRENT RISK SCORE</p> | <p>Insert Datix current risk score</p> |
| <p>HOW DO THE RECOMMENDED ACTIONS IN THIS PAPER IMPACT THIS RISK?</p> | <p><i>[In this section, explain in no more than 3 succinct points what the impact of this matter is on this risk].</i></p> |
| <p>BY WHEN IS IT EXPECTED THE TARGET RISK LEVEL WILL BE REACHED?</p> | <p>Insert Date</p> |
| <p>ARE THERE ANY BARRIERS TO IMPLEMENTATION?</p> | <p>Choose an item</p> |



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust

| | |
|---|---|
| | <p><i>[In this section, explain in no more than 3 succinct points what the barriers to implementation are].</i></p> |
| <p>All risks must be evidenced and consistent with those recorded in Datix</p> | |

VELINDRE UNHS TRUST

2025/26 CHARITABLE FUNDS CASH FLOW FORECAST

| | April | May | June | July | August | September | October | November | December | January | February | March | TOTAL | Forecast Based | |
|--|------------|-------------|-----------|-----------|-------------|-----------|-----------|-------------|-----------|-----------|-------------|-------------|-------------|---|---|
| Opening Charitable Fund Balances (Forecast) | £ | | | | | | | | | | | | | | |
| Investments (at Market Value as at 31st March 2025) | 9 172 693 | | | | | | | | | | | | | | |
| Investments Portfolio | 7 768 797 | | | | | | | | | | | | | | |
| Liquidity Account | 463 193 | | | | | | | | | | | | | | |
| Debtors / Creditors | 4 203 990 | | | | | | | | | | | | | | |
| Actual Cash (Current & Deposit Accounts) | 27 759 546 | | | | | | | | | | | | | | |
| Opening Bank Balance | 9 203 990 | 4 691 174 | 1 957 499 | 2 314 127 | 2 759 551 | 1 932 074 | 2 108 248 | 2 338 329 | 1 280 296 | 1 157 277 | 951 485 | 1 157 013 | | | |
| Income | | | | | | | | | | | | | | | |
| Grants, Fundraising & Legacies | 286 715 | 379 487 | 368 496 | 466 296 | 353 225 | 326 893 | 254 089 | 552 987 | 242 991 | 228 503 | 315 051 | 327 011 | 3 951 816 | Match calculated based on YTD Average | |
| Bank Interest | 4 617 | 4 187 | 3 145 | 3 055 | 2 887 | 2 948 | 2 370 | 1 708 | 1 178 | 521 | 2 | 1 178 | 28 264 | Based on December charges as comparable amount in bank account | |
| Donation/Bank Charges | (2 376) | (4 478) | (6 976) | (8 191) | (9 338) | (7 253) | (5 212) | (3 229) | (2 901) | (3 465) | (3 094) | (3 284) | (42 725) | Previous month charges | |
| Net Monthly Change in Income | 288 656 | 379 218 | 364 665 | 461 160 | 346 774 | 322 608 | 251 645 | 551 456 | 241 269 | 225 559 | 311 559 | 324 905 | 3 937 355 | | |
| Expenditure | | | | | | | | | | | | | | | |
| Commitments / Credits (inc BFWD from 2024/25) | (729 243) | 0 | 0 | 0 | (1 110 375) | 0 | 0 | (1 109 717) | (58 539) | 0 | 0 | (1 159 626) | (4 446 592) | Forecast in Grants, Bids and Commitments less agreed reduction of charges | |
| Outwards Fundraising and CRM Implementation Charges | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (454 888) | 0 | (392 475) | (72 220) | (88 520) | (887 434) | Retrospective Audit Charges in P11 of 2024, estimated recharge for P12 based on actuals YTD | |
| Fundraising Expenditure | (72 220) | (12 893) | (170 157) | (19 694) | (170 652) | (148 437) | (24 559) | (42 063) | (41 690) | (25 874) | (33 500) | (19 827) | (664 790) | Match calculated as first two payment tone depleted | |
| Liquidity Fund Transfers | 0 | (3 000 000) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (3 240 000) | Transfers to Liquidity Fund | |
| Net Monthly Change in Expenditure | (801 463) | (3 012 893) | (170 157) | (18 694) | (1 331 027) | (148 437) | (24 559) | (1 606 160) | (376 289) | (425 525) | (1 195 596) | (1 268 153) | (6 000 000) | | |
| Closing Bank Balance (Deposit & Current Accounts) | 4 491 174 | 1 957 499 | 2 314 127 | 2 759 551 | 1 932 074 | 2 108 248 | 2 338 329 | 1 280 296 | 1 157 277 | 951 485 | 1 157 013 | 234 501 | 234 501 | 234 501 | |
| Notes/Other Opportunities | | | | | | | | | | | | | | £ 8 999 786 | Current Commitments against the Charity's Current Account |
| 1. Income is based on forecast for 2025/26 | | | | | | | | | | | | | | | |
| 2. Expenditure is based on current commitments/forecast for 2025/26, forecast End debtors and creditors as FYE 2024/25 | | | | | | | | | | | | | | | |
| 3. Does not forecast in any growth on Investments on the liquidity account | | | | | | | | | | | | | | | |
| 4. Does not include any drawdowns from the liquidity account | | | | | | | | | | | | | | | |
| Forecast Closing Charitable Fund Balances (31st March 2026) | | | | | | | | | | | | | | £ | |
| Investments (at Book Value) | | | | | | | | | | | | | | 18 314 339 | |
| Liquidity Account | | | | | | | | | | | | | | 11 172 298 | |
| Actual Cash (Current & Deposit Accounts) | | | | | | | | | | | | | | 234 581 | |
| Debtors / Creditors | | | | | | | | | | | | | | 0 | |
| | | | | | | | | | | | | | | 21 721 218 | |

| | |
|-----------|--|
| Actual | |
| Projected | |

In the event that the current account begins to approach a negative stage will be taken to transfer cash from the investment managers back into the current account.

| | |
|--|--|
| Key | |
| Figures in BLACK signify both income and a positive balance | |
| Figures in RED signify both Expenditure and a Negative balance | |

| VELINDRE UNHS TRUST | | | | | | | | | | | | | |
|--|------------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| 2026/27 CHARITABLE FUNDS CASH FLOW FORECAST | | | | | | | | | | | | | |
| Opening Charitable Fund Balances (Forecast) | £ | | | | | | | | | | | | |
| Investments (at Market Value as at 31st March 2026) | 10 314 339 | | | | | | | | | | | | |
| Liquidity Account | 11 172 200 | | | | | | | | | | | | |
| Debtors / Creditors | 234 801 | | | | | | | | | | | | |
| Actual Cash (Current & Deposit Accounts) | 21 721 540 | | | | | | | | | | | | |
| | April | May | June | July | August | September | October | November | December | January | February | March | TOTAL |
| Opening Bank Balance | 324 561 | 850 212 | 487 322 | 83 212 | (608 861) | (888 481) | (1 087 936) | (1 408 026) | (1 628 215) | (2 317 806) | (2 481 355) | (2 588 848) | (2 588 848) |
| Income | | | | | | | | | | | | | |
| Donations, Fundraising & Legacies | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 327 114 | 3 925 365 |
| Bank Interest | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 6 000 |
| Dividend/Bank Charges | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (3 000) | (42 000) |
| Net Monthly Change in Income | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 324 114 | 3 889 365 |
| Expenditure | | | | | | | | | | | | | |
| Commitments / Credits (inc SPWD from 2025/26) | (600 000) | (500 000) | (400 000) | (300 000) | (200 000) | (100 000) | (50 000) | (50 000) | (50 000) | (50 000) | (50 000) | (50 000) | (7 080 238) |
| Overheads, Fundraising Charges | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (78 378) | (916 516) |
| Fundraising Expenditure | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (41 307) | (496 887) |
| Liquidity Fund Transfers | 1 000 000 | | | | | | | | | | | | 1 000 000 |
| Net Monthly Change in Expenditure | (520 285) | (720 763) | (620 863) | (520 763) | (420 763) | (320 763) | (220 763) | (170 763) | (120 763) | (70 763) | (20 763) | (20 763) | (10 000 000) |
| Closing Bank Balance (Deposit & Current Accounts) | 850 912 | 487 322 | 83 212 | (608 861) | (888 481) | (1 087 936) | (1 408 026) | (1 832 140) | (2 217 826) | (2 407 365) | (2 588 848) | (2 588 848) | (3 388 574) |

300000
6000
500

| Forecast Based Upon | Forecast Based Upon |
|---------------------|---|
| 3 925 365 | Based on Charity Teams Forecast |
| 6 000 | Based on maintaining an average balance of £300 |
| (42 000) | Based on 2025-26 Charges |
| (7 080 238) | Forecast in Grants and Sids file |
| (916 516) | Based on Current Forecast |
| (496 887) | Based on Current Forecast from Charity Team |
| 1 000 000 | Transfers to Liquidity Fund |
| (3 388 574) | Current Commitments against the Charity's Current Account |

| | |
|-----------|--|
| Actual | |
| Projected | |
| Key | |

If in the event that the current account begins to approach a negative stage will be taken to transfer cash from the investment managers back into the current account.

| Forecast Closing Charitable Fund Balances (31st March 2027) | |
|---|-------------------|
| Investments (at Book Value) | £ 10 314 339 |
| Liquidity Account | 11 172 200 |
| Actual Cash (Current & Deposit Accounts) | (3 388 574) |
| Debtors / Creditors | 83 |
| | 18 117 965 |

Figures in BLACK signify both income and a positive balance
Figures in RED signify both expenditure and a negative balance

Velindre NHS Trust Charity



Miranda Richards
Investment Manager
17th March 2026

Reconfirming your investment objectives & requirements





Your investment requirements

Reconfirming the investment objectives of the portfolios we manage for you

| | Investment Portfolio | Liquidity Portfolio |
|-------------------------------|--|---|
| Investment objectives | Growth | Income |
| Benchmark | Income and Growth Composite Benchmark ARC Charity Steady Growth | N/A |
| Restrictions | Core Responsible Investment Screening No investment in Oil/Gas Stocks No investment in 5% Turnover from Alcohol | None |
| Risk profile | Medium – you are prepared to accept a moderate level of risk over your time horizon to achieve your goals. You understand that in the longer term a higher level of risk may result in higher returns. | Low – you are prepared to accept a low amount of risk to reach your goal. You would like your investments to grow but you want to minimise the possibility of swings in the value of your portfolio |
| Income requirements | No income is required from this portfolio | No income is required from this portfolio |
| Timescale | 10 years plus | 3 – 5 years |
| Capacity for loss | TBC | TBC |
| AMC | 0.5% | 0.2% |
| Authorised Signatories | Matthew Bunce David Donegan James Carl | Matthew Bunce David Donegan James Carl |

Performance and your portfolio



Current snapshot

Portfolio Performance to 17th March 2026

| | Portfolio Value | Estimated income | Estimated Forward Yield* |
|--|-----------------|------------------|--------------------------|
| Velindre - Investment Portfolio | £10,115,655 | £256,621 | 2.5% |
| Velindre - Liquidity Portfolio | £11,157,945 | £416,478 | 3.7% |

*The forward yield is 'forward' as it takes into account forecasts of future dividend payments by the stocks in the portfolio for that financial year. That's also why it is 'estimated' as companies might announce something different to what has been estimated.

Investors should be aware that past performance is not a reliable indicator to future performance

Source: Figaro at 17.03.2026

Longer-Term Performance

Portfolio Performance to 28th February 2026

| | 3 months to 28/02/26 (%) | 1 year to 28/02/26 (%) | 2024 | 2025 | Since inception* to 28/02/26 |
|--|-----------------------------|---------------------------|------------|------------|---------------------------------|
| Velindre – Investment Portfolio | 3.9 | 11.4 | 7.2 | 8.6 | 20.8 |
| CPI + 3% | 0.3 | 5.1 | 5.6 | 6.5 | 12.3 |
| ARC Charity £ Steady Growth Benchmark | 4.3 | 11.6 | 8.2 | 9.3 | 23.1 |
| Balanced Composite Benchmark | 2.9 | 11.9 | 10.3 | 11.3 | 27.0 |
| UK Equities | 12.5 | 27.8 | 9.1 | 24.3 | 51.2 |
| Global Equities | 3.3 | 19.2 | 21.6 | 18.9 | 45.8 |
| UK Government Bonds | 2.5 | 5.7 | 5.0 | -3.4 | 6.1 |
| UK Corporate Bonds | 2.0 | 6.8 | 1.8 | 6.8 | 11.5 |

*Since inception for Velindre is from 26.01.2024. This was a phased investment.

Investors should be aware that past performance is not a reliable indicator to future performance

Context

Longer term Portfolio performance - benchmarking

| | 1 year to 28/02/26 (%) | 2025 | Since Inception* to 28/02/26 (%) | |
|--------------------------------------|---------------------------|------------|-------------------------------------|------|
| Investment Portfolio | 11.4 | 8.6 | 20.8 | |
| CPI + 3% | 5.1 | 6.5 | 12.3 | |
| ARC £ Charity Steady Growth | 11.6 | 9.3 | 23.1 | |
| Balanced Composite Benchmark | 11.9 | 11.3 | 27.0 | |
| Clients with similar restrictions | Client A | 12.1 | 8.9 | 22.3 |
| | Client B | 11.9 | 9.0 | 20.7 |
| | Client C | 11.0 | 8.4 | n/a |
| CCLA Charities Ethical Investment | -4.1 | -2.4 | 3.5 | |

Since inception for Velindre is from 26.01.2024. This was a phased investment.

Investors should be aware that past performance is not a reliable indicator to future performance

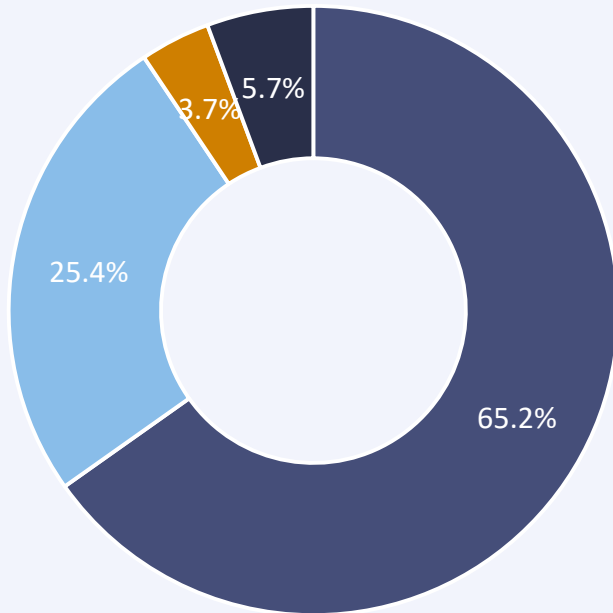
Source: Figaro at 17.03.26

Portfolio detail



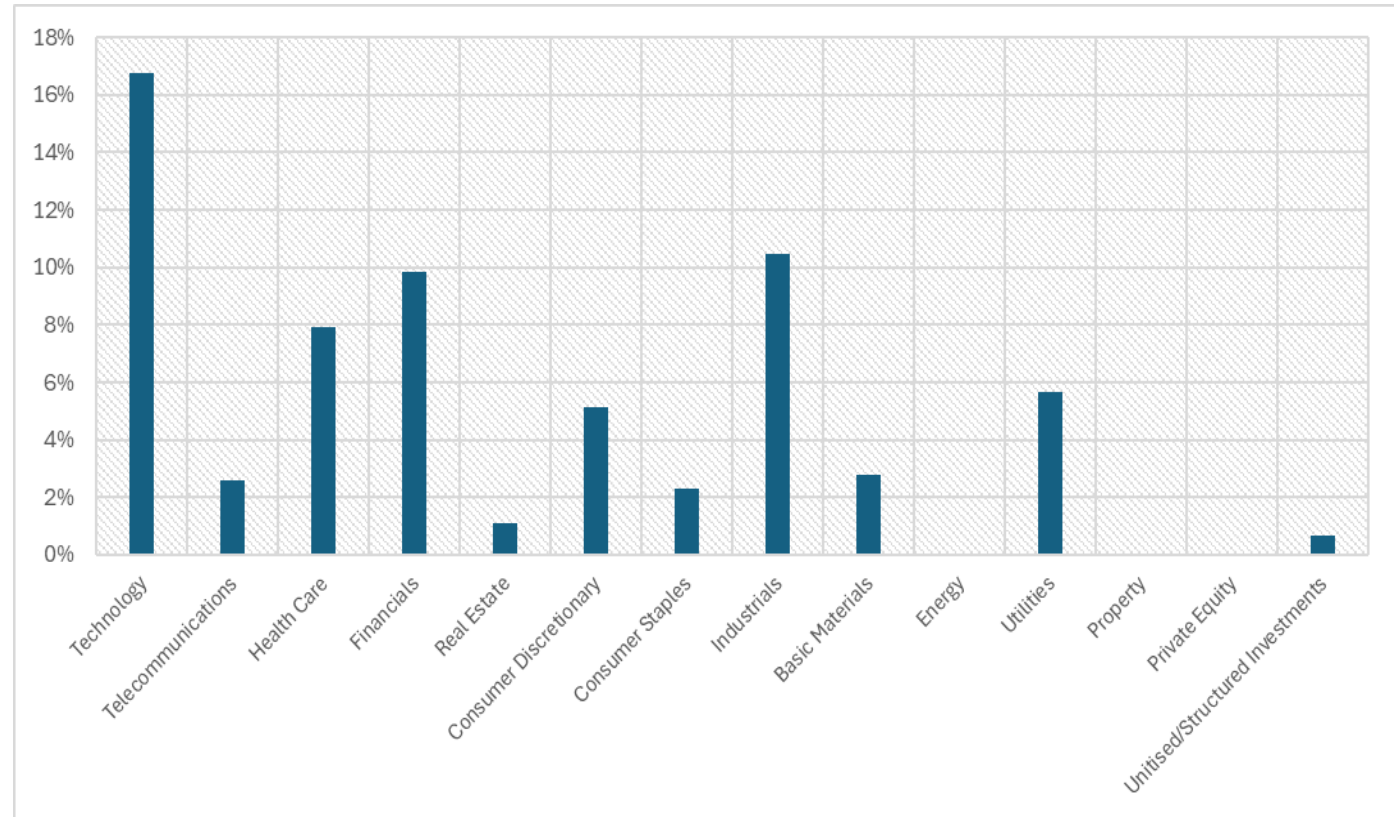
Portfolio Asset Allocation

Velindre Investment Portfolio



■ Equity ■ Fixed Income ■ Alternatives ■ Cash

Sector Allocation



Detailed Asset Allocation as at 28th February 2026

| | % |
|------------------|------|
| Equities | 65.2 |
| Bonds | 25.4 |
| Alternatives | 3.7 |
| Cash + Liquidity | 5.7 |

100.0

| | % |
|---|------|
| Equity | 65.2 |
| Technology | 16.8 |
| TSMC | 3.5 |
| ASML HOLDING NV EUR0.09 | 3.3 |
| ALPHABET INC CAPITAL STOCK USD0.001 CL A | 2.4 |
| MICROSOFT CORP COM USD0.0000625 | 2.4 |
| HALMA ORD GBP0.10 | 1.6 |
| APPLE INC COM USD0.00001 | 1.1 |
| NVIDIA CORP COM USD0.001 | 0.8 |
| AUTODESK INC COM USD0.01 | 0.8 |
| INTUIT INC COM USD0.01 | 0.6 |
| CONSTELLATION SOFTWARE INC COM STK NPV | 0.5 |
| Industrials | 10.5 |
| SCHNEIDER ELECTRIC SE EUR4.00 | 2.1 |
| CRH ORD EUR 0.32 | 1.9 |
| MASTERCARD INCORPORATED COM USD0.0001 CLASS A | 1.4 |
| TETRA TECH INC COM STK USD0.01 | 1.2 |
| VINCI EUR2.50 | 1.1 |
| BUREAU VERITAS EUR0.12 | 1.0 |
| ACCENTURE PLC CLS'A'USD0.0000225 | 0.8 |
| ADYEN NV EUR0.01 | 0.6 |
| OWENS CORNING COM USD0.01 | 0.5 |
| Financials | 9.8 |

| | |
|--|-----|
| DBS GROUP HLDGS LTD NPV | 2.4 |
| JAPAN EXCHANGE GROUP NPV | 1.4 |
| STANDARD LIFE PLC ORD GBP0.10 | 1.2 |
| AIA GROUP LIMITED NPV | 1.2 |
| ZURICH INSURANCE GROUP AG CHF0.10 | 1.1 |
| S&P GLOBAL INC COM USD1 | 1.0 |
| JPMORGAN CHASE & CO. COM USD1.00 | 0.9 |
| BLACKROCK INC COM USD0.01 | 0.7 |
| Health Care | 7.9 |
| ELI LILLY AND COMPANY COM NPV | 3.2 |
| ASTRAZENECA PLC ORD USD0.25 | 2.6 |
| ROCHE HOLDINGS AG GENUSSSCHEINE NPV | 1.5 |
| WEST PHARMACEUTICAL SERVICES INC COM USD0.25 | 0.7 |
| Utilities | 5.6 |
| NATIONAL GRID ORD GBP0.12431289 | 2.4 |
| ENEL SPA EUR1 | 1.7 |
| NEXTERA ENERGY INC COM USD0.01 | 1.6 |
| Consumer Discretionary | 5.1 |
| AMAZON COM INC COM USD0.01 | 1.9 |
| RELX PLC ORD GBP0.1444 | 1.7 |
| HERMES INTERNATIONAL NPV | 0.8 |
| BOOKING HOLDINGS INC COM USD0.008 | 0.7 |
| AIRBNB INC COM USD0.0001 CL A | - |
| Basic Materials | 2.8 |
| RIO TINTO ORD GBP0.10 | 1.6 |
| BHP GROUP LTD NPV (DI) | 1.1 |
| Telecommunications | 2.6 |
| KONINKLIJKE KPN NV EUR0.04 | 2.0 |
| META PLATFORMS INC COM USD0.00006 CL 'A' | 0.6 |
| Consumer Staples | 2.3 |

| | |
|--|------|
| HALEON PLC ORD GBP0.01 | 1.2 |
| PROCTER & GAMBLE CO COM NPV | 1.1 |
| Real Estate | 1.1 |
| PROLOGIS INC COM USD0.01 | 1.1 |
| Unitised/Structured Investments | 0.7 |
| SCHIEHALLION FUND LTD(THE) ORD NPV | 0.7 |
| Fixed Income | 25.4 |
| Corporate | 14.2 |
| CAPITAL GROUP GLOBAL CORPORATE BOND S GBP DIS | 5.4 |
| ISHARES II PLC USD TIPS UCITS ETF GBP DIS HEDGED | 3.2 |
| BROWN ADVISORY FUNDS PLC BROWN ADVISORY GBL SUST TOTAL RTN BOND C | 2.8 |
| COLUMBIA THREAD OPPY FDS (UK) ICVC CT UK SOCIAL BOND INSTL GBP ACC | 2.8 |
| Government | 11.2 |
| UNITED KINGDOM(GOVERNMENT OF) 0.625% BDS 31/07/2035 GBP1000 'REGS' | 4.8 |
| UNITED KINGDOM(GOVERNMENT OF) 3.75% BDS 29/01/2038 GBP0.01 'REGS' | 3.8 |
| UNITED KINGDOM(GOVERNMENT OF) 0.25% BDS 31/07/2031 GBP1000 | 2.6 |
| Alternatives | 3.7 |
| Infrastructure | 2.2 |
| 3I INFRASTRUCTURE PLC ORD NPV | 0.8 |
| INTERNATIONAL PUBLIC PARTNERSHIP ORD GBP0.0001 | 0.7 |
| HICL INFRASTRUCTURE PLC ORD GBP0.0001 | 0.7 |
| Renewables | 1.5 |
| GREENCOAT RENEWABLES PLC EURO.01 | 0.5 |
| GREENCOAT UK WIND PLC ORD GBP0.01 | 0.5 |
| THE RENEWABLES INFRASTRUCTURE GRP ORD NPV | 0.4 |
| Cash | 5.7 |
| Cash | 5.7 |
| FEDERATED HERMES CASH MGMT FUNDS FED HERMES SHT TR STG PRIME F DIS | 3.9 |
| Capital Account - POUNDS STERLING GBP | 0.5 |
| Income Account - POUNDS STERLING GBP | 1.2 |

Portfolio Activity

High level activity over the 6 months to 28th February 2026

Top 10 Equity Holdings (%)

| | |
|------------------|-----|
| TSMC | 3.5 |
| MICROSOFT | 3.0 |
| ELI LILLY | 3.0 |
| ASML | 2.7 |
| DBS GROUP | 2.5 |
| ALPHABET | 2.4 |
| ASTRAZENECA | 2.3 |
| AMAZON | 2.3 |
| CRH ORD EUR 0.32 | 2.2 |
| RELX PLC | 2.1 |

Contributors (%)

| | |
|--------------|-----|
| TSMC | 1.8 |
| ASML | 1.8 |
| ELI LILLY | 1.1 |
| ALPHABET INC | 0.9 |
| ASTRAZENECA | 0.7 |

Detractors (%)

| | |
|---------------|------|
| MICROSOFT | -0.7 |
| RELX PLC | -0.6 |
| CONSTELLATION | -0.4 |
| ADYEN | -0.3 |
| AUTODESK | -0.2 |

Key Activity

| | |
|----------|------------------|
| Purchase | JAPAN EXCHANGE |
| Purchase | BOOKING HOLDINGS |
| Purchase | BLACKROCK INC |
| Purchase | INTUIT INC COM |
| Purchase | S&P GLOBAL |
| Sale | KEYENCE CORP |
| Sale | NESTLE |
| Sale | AIRBNB INC |
| Sale | TSMC |



LGT – investment thoughts for end of 2025

- 2025 markets: Strong global equity gains; leadership broadened beyond US mega-cap tech to Europe, Japan and Asia.
- Regional winners: Europe, UK, Japan, Hong Kong and China outperformed US indices, aided by a weaker dollar.
- Central banks: Fed/BoE cut rates; BoJ hiked to 0.75%, steepening curves and lifting Japanese yields.
- Americas geopolitics: US support for Argentina, new Mexican tariffs and Venezuelan regime shock, with limited market impact.
- Japan politics: First female PM, Sanae Takaichi, with ambitions constrained by higher rates, weak yen and minority government.
- Trade & tariffs: US–China tariff tensions persist and face Supreme Court scrutiny, but markets remain broadly resilient.

Sustainable Growth

Example Investments

| | |
|--|---|
| <p>Energy transition Decarbonisation; circular economy; electrification of transport; emissions regulation.</p>  |    |
| <p>Healthcare innovation Ageing demographic; growth in biologics and GLP-1s; personalised medicine; evolving healthcare provision and preventative treatments</p>  |    |
| <p>Next gen technology AI, The Internet of Things; automation/advanced robotics; cloud; digital infrastructure; VR; blockchain applications; digital analytical tools</p>  |    |
| <p>Shifting consumption Digital payments; ecommerce; athleisure; gaming; experiential consumption, democratisation of wealth</p>  |    |
| <p>(De)Globalisation Supply chains, on/near-shoring, energy security, defence, tariffs</p>  |    |

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Sample companies are for illustrative purposes only and are not a recommendation for investment.

Velindre portfolio earnings growth compared to MSCI indices

| Earnings per share growth (year-over-year %) | 2024 | 2025 | 2026 |
|--|---------------|---------------|---------------|
| Portfolio | +12.9% | +16.1% | +20.3% |
| MSCI ACWI Index | +4.7% | +12.4% | +14.9% |
| MSCI USA Index | +10.3% | +12.4% | +13.2% |
| MSCI UK Index | -1.6% | -0.5% | +7.6% |

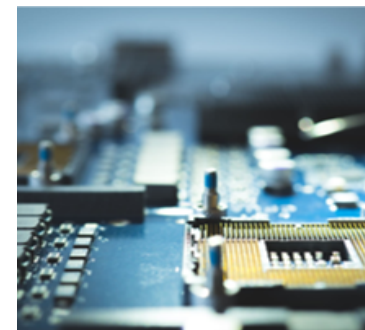


Past performance is not indicative of future performance. 2024 data represent actuals; 2025 and 2026 data include Bloomberg Consensus. The chart represents weighted earnings growth for portfolio holdings at March 2026 for 2026 (estimates). Source: Bloomberg (including consensus), LGT Wealth Management. Calendar year. Data as at March 2026.

Equity case study: ASML

Overview

- ASML provides the complex machinery required to print intricate patterns onto silicon wafers. This process is fundamental to creating the semiconductor chips that power the modern world.
- By enabling the production of ever smaller, faster, and more energy-efficient chips, ASML's lithography technology is indispensable to a vast range of industries. Its systems underpin the functioning of everything from smartphones and cars to advanced data centres and renewable energy infrastructure.
- The investment case rests on its monopoly position within its niche, which is built on what we believe to be unparalleled technological complexity. This durable advantage could allow it to benefit from long-term growth trends like AI, while its technology is also a critical enabler of the clean energy transition by facilitating more efficient electronics.



Sustainability alignment



ASML's purpose is "to unlock the potential of people and society by pushing technology to new limits". Their values emphasise integrity, collaboration, and care. ASML recognises technological progress needs environmental and social responsibility, reflected in continuous R&D investment for energy-efficient systems.



Sustainability is embedded in ASML's strategy and product design. Their most advanced systems (called EUV machines) significantly reduce energy use per wafer, directly aiding sustainable chip production. Capital expenditure and R&D align with this goal, and long-lived systems further support circular economy objectives

Positive outcome KPIs

Percentage of systems sold in past 30 years still active in the field: **95%** (2024)

Reuse rate of parts returned from field/factory: **88%** (2024)

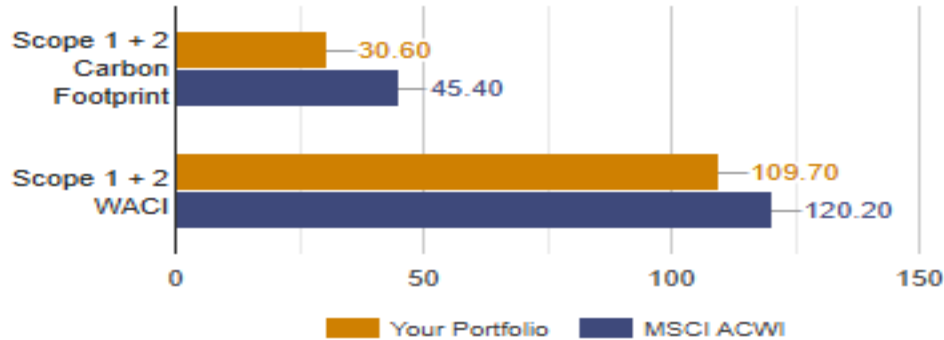
Renewable electricity as percentage of total purchased: **96%** (2024)

Carbon Data & ESG



Portfolio carbon footprint and intensity

In comparison to a global reference index (MSCI ACWI)



Total carbon footprint (tCO₂e/\$m): the total carbon emissions, expressed per million USD invested.

WACI (tCO₂e/\$m): the carbon emissions normalised by revenue, expressed as carbon emissions per million USD of revenue.

On a carbon footprint basis, the portfolio is 32.6% less carbon intensive than the MSCI ACWI reference index.
 On a WACI basis, the portfolio is 8.74% less carbon intensive than the MSCI ACWI reference index.


Carbon footprint in perspective

Carbon metric tons can be difficult to contextualise. The difference between the portfolio's carbon footprint and that of a global index (MSCI ACWI), is 14.8 metric tons.

This is equivalent to:



32
Homes' energy use for a month



351
Tree seedlings grown for 10 years

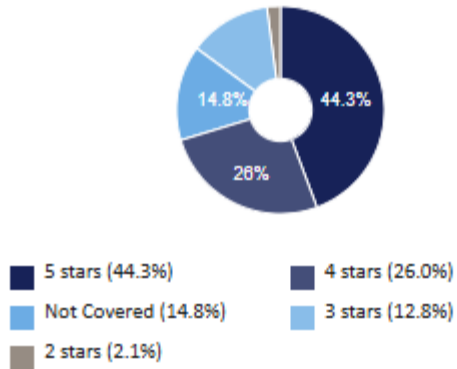
Source: US Environmental Protection Agency.

Portfolio ESG rating and Decarbonisation pathway

LGT ESG Score

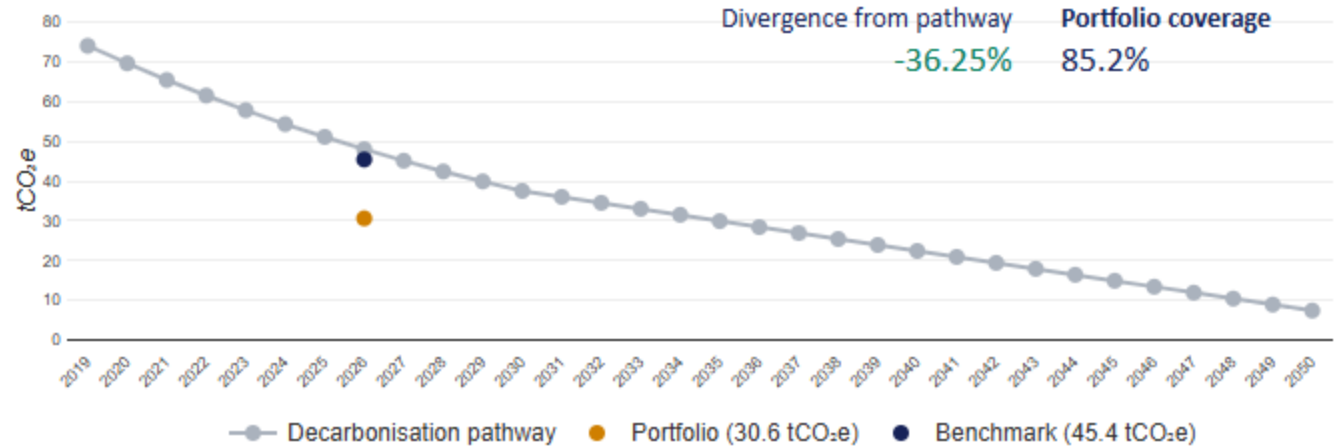
| | | |
|---------------------------|-------------------|-------------------|
| Portfolio | ESG Score 74.9 | Coverage 85.2% |
| MSCI ACWI reference index | ESG Score 64.4 | Coverage 99.2% |
| Portfolio Star Rating | ★ ★ ★ ★ ★ | |

LGT ESG score portfolio breakdown



Portfolio Decarbonisation pathway

The below graph provides a visual representation of how the emissions associated with the portfolio and the reference index, compares to the required decarbonisation pathway of the largest 3,000+ global companies to deliver the Paris Agreements 1.5 degree ambition.



If the portfolio's emissions are below the decarbonisation pathway (i.e., better than the target, showing a negative divergence), it means the portfolio is reducing emissions faster or investing more in climate solutions than the pathway requires. If its emissions are above the pathway, it means emissions are higher and transition progress is lower than the pathway's target.

A microscopic image showing a highly textured surface with a repeating pattern of ridges and grooves, resembling a woven fabric or a biological structure. The colors are primarily blue and purple, with some brownish highlights.

Engagement case studies

NextEra Energy – Fairer societies engagement

Encouraging human rights governance through the PRI Advance initiative



Background

- NextEra Energy is one of the largest electric utilities in the US and the world's largest generator of wind and solar.
- LGT has engaged with the company under PRI Advance since 2022. PRI Advance is a global collaborative initiative through which investors work together to promote stronger human rights due diligence and responsible engagement with affected stakeholders.
- As co-lead investor, LGT helps coordinate investor expectations and maintain a structured dialogue with the company on these topics.

Next Steps

- Continue engagement on the new Human Rights Policy, focusing on alignment with international standards and project-level implementation.
- Push for greater transparency on Tribal engagement processes and consultation outcomes across the project lifecycle.

Engagement highlights

- Focus of engagement: Human rights risk management in NextEra's expanding renewables pipeline, especially permitting, land use and community relations.
- Key milestone: NextEra published its first public Human Rights Policy (Q4 2025), clarifying governance, oversight and expectations for contractors and partners.
- Tribal engagement: Investors met the Director of Tribal Relations; consultation processes and cultural heritage protections were viewed as sector-leading and embedded across the project lifecycle.
- Ongoing asks: LGT is pushing for greater transparency on consultation outcomes and alignment with international standards to support responsible growth, build stakeholder trust and reduce permitting/project delay risk.

CRH – Climate engagement

Operational approach to emissions reduction



Background

- CRH is a global building materials group providing cement and construction materials critical to infrastructure and economic growth.
- It is investing in lower-carbon solutions while expanding through acquisitions, which affects its overall emissions trajectory.
- LGT engages with CRH to assess whether its climate strategy and governance support resilient, sustainable growth and long-term client value.

Next Steps

- Follow-up meeting scheduled for spring 2026, after CRH's latest Sustainability Report.
- Clarify how each major abatement action contributes to the 2030 emissions target
- Better explain how delivery risk is managed, especially where investment is back-loaded
- Track how future M & A is integrated into carbon targets and decarbonisation timelines.

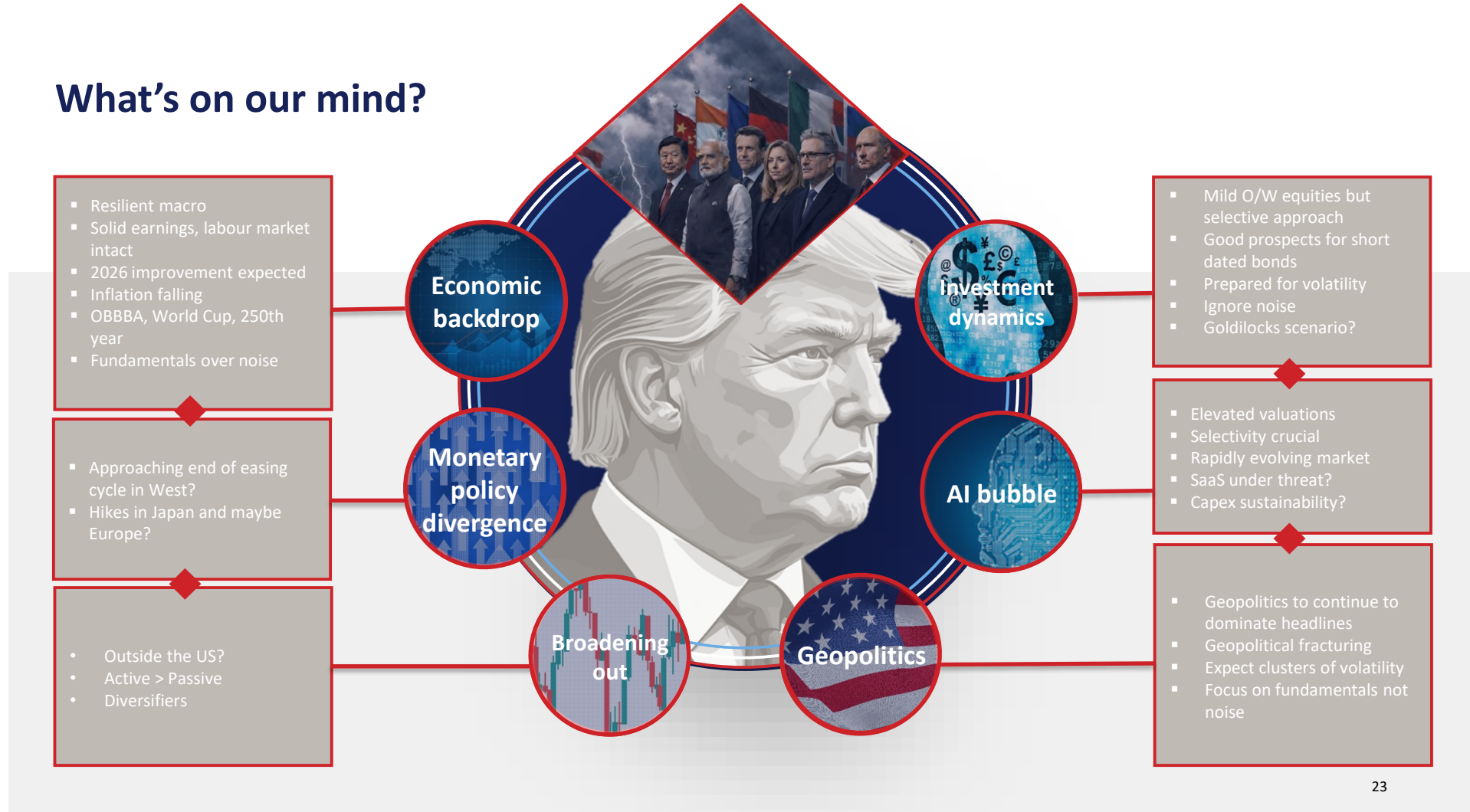
Engagement highlights

- CRH has a practical decarbonisation plan, with site-level roadmaps and group-wide coordination for consistency and accountability.
- Emissions cuts come from established levers—higher use of alternative fuels and lower-carbon materials—adapted to local conditions.
- CRH commits around \$150m per year to decarbonisation, supported by dedicated management and board-level oversight.
- Progress should accelerate as larger investments come online later in the decade, rather than reductions being front-loaded.
- New technologies offer longer-term upside, while near-term progress depends mainly on steady operational improvements.
- Greater transparency on interim milestones and the impact of key measures would help investors track delivery.

Macro and markets



What's on our mind?

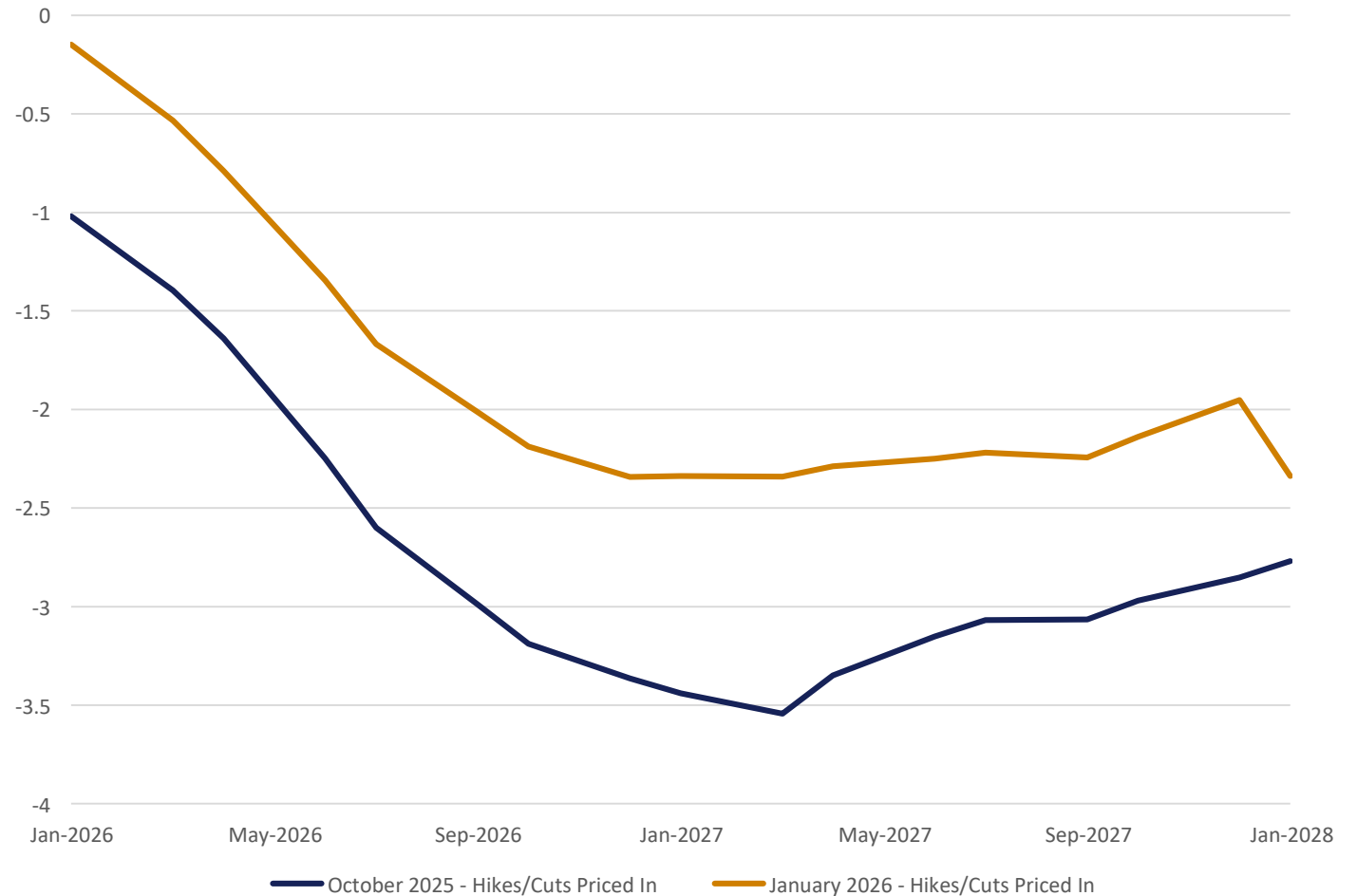


Institutional constraints should prevent chaos at the Fed

- ◆ Markets are concerned about the outcome of the Fed Chair decision, and the implications and potential disruption that could be caused by such a change.
- ◆ Institutional constraints and the committee structure should mean we avoid chaos at the Fed and instead expect a more benign scenario whereby it is marginally more dovish.
- ◆ Indeed, we see the possibility of fewer rate cuts than the market is expecting as the greater risk going forward.

FOMC interest rate hikes/cuts priced in

The number of expected interest rate cuts fell over Q4 2025



... and quality as a factor will bounce back in 2026

- ◆ Throughout 2025 the market overlooked the virtues of balance sheet strength, non-cyclical business models and share price stability in 2025.
- ◆ Instead, markets have recently preferred cyclical and more speculative areas; history suggests that such periods rarely last.
- ◆ The fundamentals for these high-quality names have not changed, and short-term underperformance presents a relative buying opportunity for the quality factor.

MSCI World Quality vs MSCI ACWI in GBP - 2025

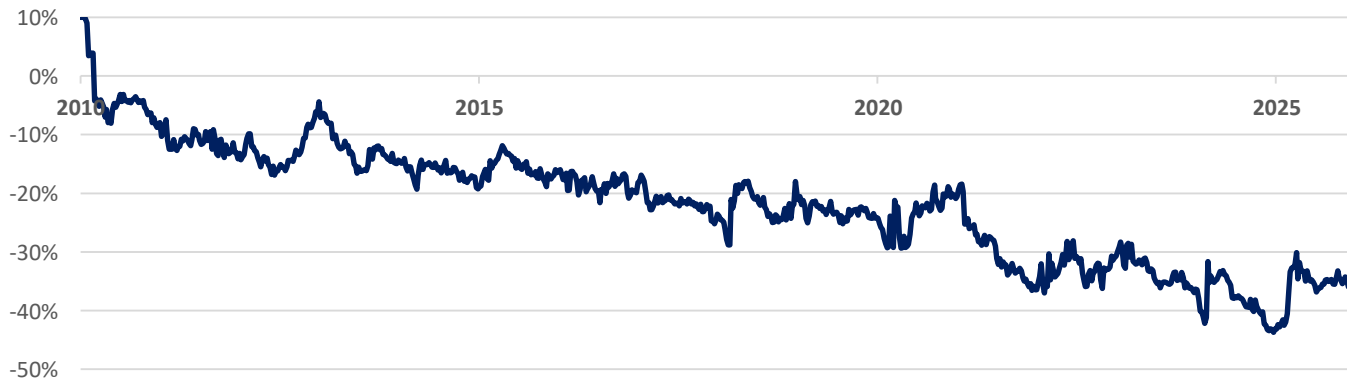
The market ignored balance sheet strength, share price stability and robust earnings



Rest of the world to outperform the US in 2026...

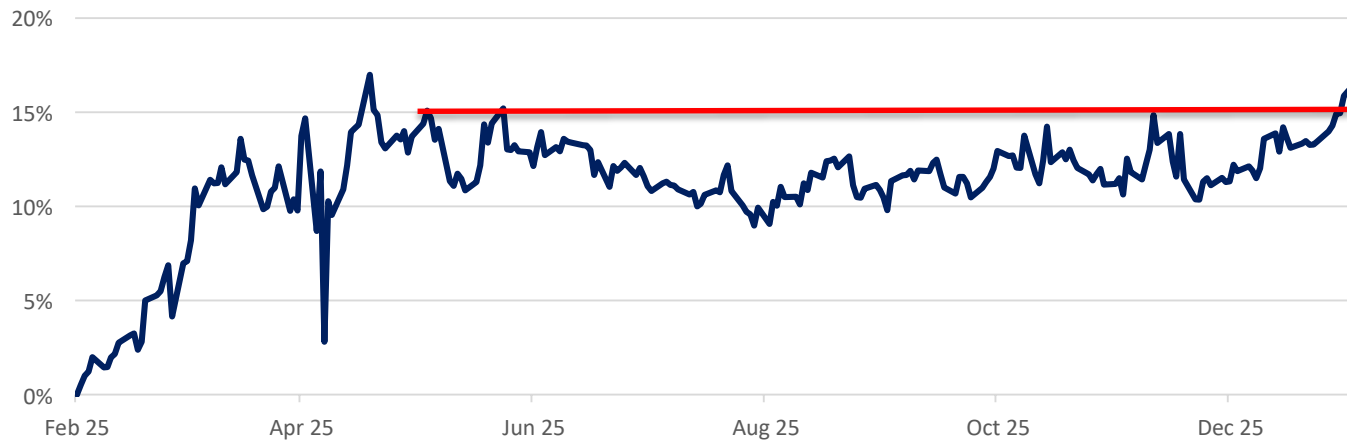
Valuation Premium / Discount - MSCI ACWI Ex-US vs MSCI US

Plenty of room to run here



Short-term Relative Performance - MSCI ACWI Ex-US vs MSCI US

Getting ready for a move higher after a period of consolidation

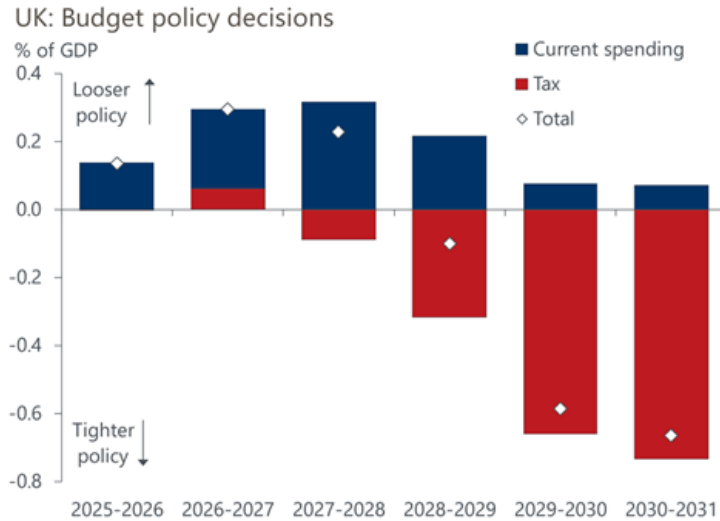


◆ Demands of a multi-polar world and less dependable US require accommodative fiscal policy for the likes of the EU, Japan & Emerging Markets

◆ Given current attractive valuations relative to the US and strong momentum, we expect non-US equity markets to outperform in 2026.

◆ We remain constructive on the European and Japanese domestic markets, as well as favouring Emerging market which stand to benefit from a favourable global macro backdrop.

Gilts can be trusted to trade off interest rate fundamentals, rather than fiscal risk

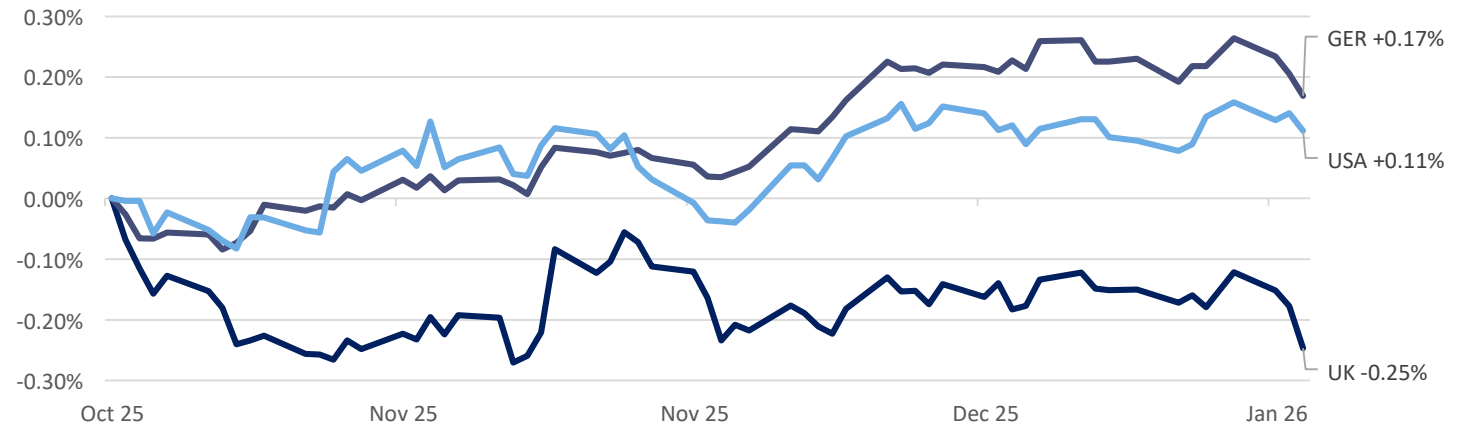


Sources: HM Treasury

In recent years, the direction of UK gilts has been dictated by political risk as much as interest rate expectations.

The doubling of fiscal headroom, combined with weaker economic data, has meant Gilts have outperformed since the middle of October.

Change in 10 year Government Bond Yields since mid-Oct 2025
UK yields have diverged from Germany and the US



Appendix



Your investment management team



Miranda Richards

Senior Investment Manager, Charities

Miranda is a Senior Investment Manager and joined the business in 2020. She has over 30 years' experience of financial markets, as an economist, strategist, journalist, fund manager and client adviser.

During a career break Miranda served on a number of charity boards and investment committees, including Murray Edwards College, Cambridge, and she now brings that trustee experience to her professional life.

In 2022, she was named Woman of the Year – ESG by Professional Adviser and outside of her professional responsibilities remains an active trustee and committee member, including the investment committee of St Andrews University.

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