

FOR PROFESSIONAL CLIENTS

# Cambridge University Endowment Fund

Annual Investor Meeting

4th November 2025



UNIVERSITY OF  
CAMBRIDGE

Investment Management



# Agenda

## Part One

1. Investment Strategy and FY Performance Update
2. Organisational Update
3. Asset Allocation Strategy
4. Fund Manager Selection
5. Q&A

## Part Two

1. Asset Class Discussion
2. Sustainable Investment
3. Summary
4. Q&A
5. Lunch

# Mission and Investment Strategy

Tilly Franklin, CEO and Chief Investment Officer



# Mission

To serve the University, Colleges and Trusts  
by delivering world-class, sustainable  
investment performance.



Investment Management



# Investment Strategy

## The CUEF's investment objective:

Achieve returns of inflation (CPI)\* plus 5.0% over the long term

### Multi-Asset Strategy

- Public equity
- Private equity
- Absolute return and credit
- Real assets
- Cash and fixed income

### Invest with “third-party” fund managers

- Specialist insights
- Alignment of interests
- Long-term perspective
- Willing to work in partnership and have an active dialogue with us

### Sustainability

Sustainability criteria embedded throughout the investment process

*\*UK Consumer Price Index*

# Progress and Performance

Tilly Franklin, CEO and Chief Investment Officer

# Progress in Last Twelve Months

## Team

- ✓ 21 team members, many celebrated five-year anniversary in 2025
- ✓ Six promotions across investment and operations team
- ✓ Fifth summer internship programme completed

## Portfolio

- ✓ 60 high-conviction, highly-engaged core managers
- ✓ Portfolio resilience through period of substantial market volatility
- ✓ 7 new manager allocations and 13 new commitments to existing managers

## Operations

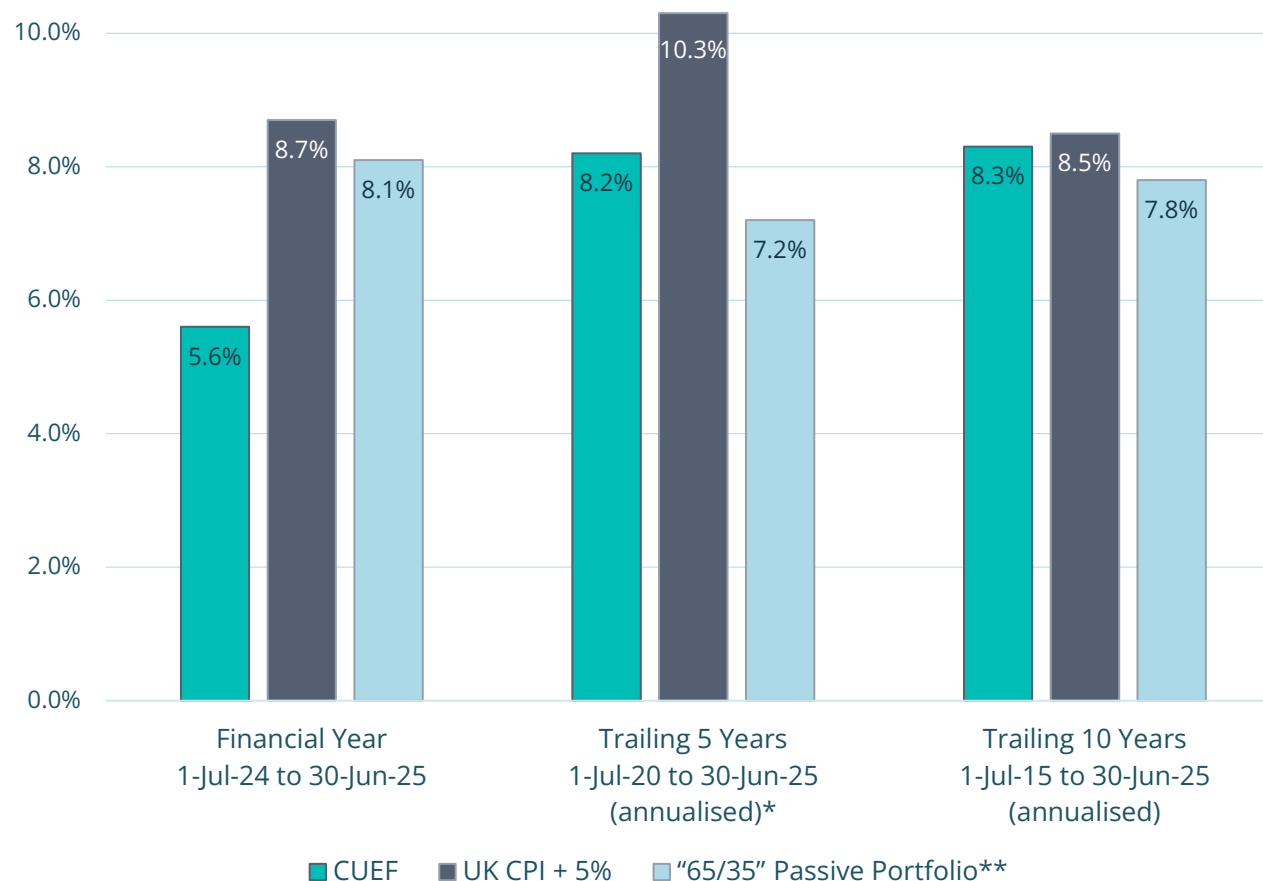
- ✓ UCIM Board effectiveness review - very positive
- ✓ Second of three-year internal audit plan concluded
- ✓ Successful migration to new managed IT service provider

## Stakeholder Engagement

- ✓ Fully supported the University's Working Group into the Defence industry
- ✓ Continue to engage with stakeholders across the University, inc. departments and students
- ✓ Collaborate and share knowledge with peers and sector organisations inc. IIGCC, RINU



# CUEF Performance – One, Five and Ten Years



- FY 2025 - strong returns in public equity, absolute return & credit, and real assets; offset by weak performance in private equity and FX impact.
- Achieving returns of CPI+5% challenging over last five years, due to elevated inflation 2021-23.
- On a five- and ten-year basis, the CUEF has achieved annualised returns >8%, highlighting the benefits of the investment model and UCIM's manager selection.

**Data sources:** CPI data from the Office for National Statistics (ONS), CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg and UCIM internal reporting.

**Notes:**

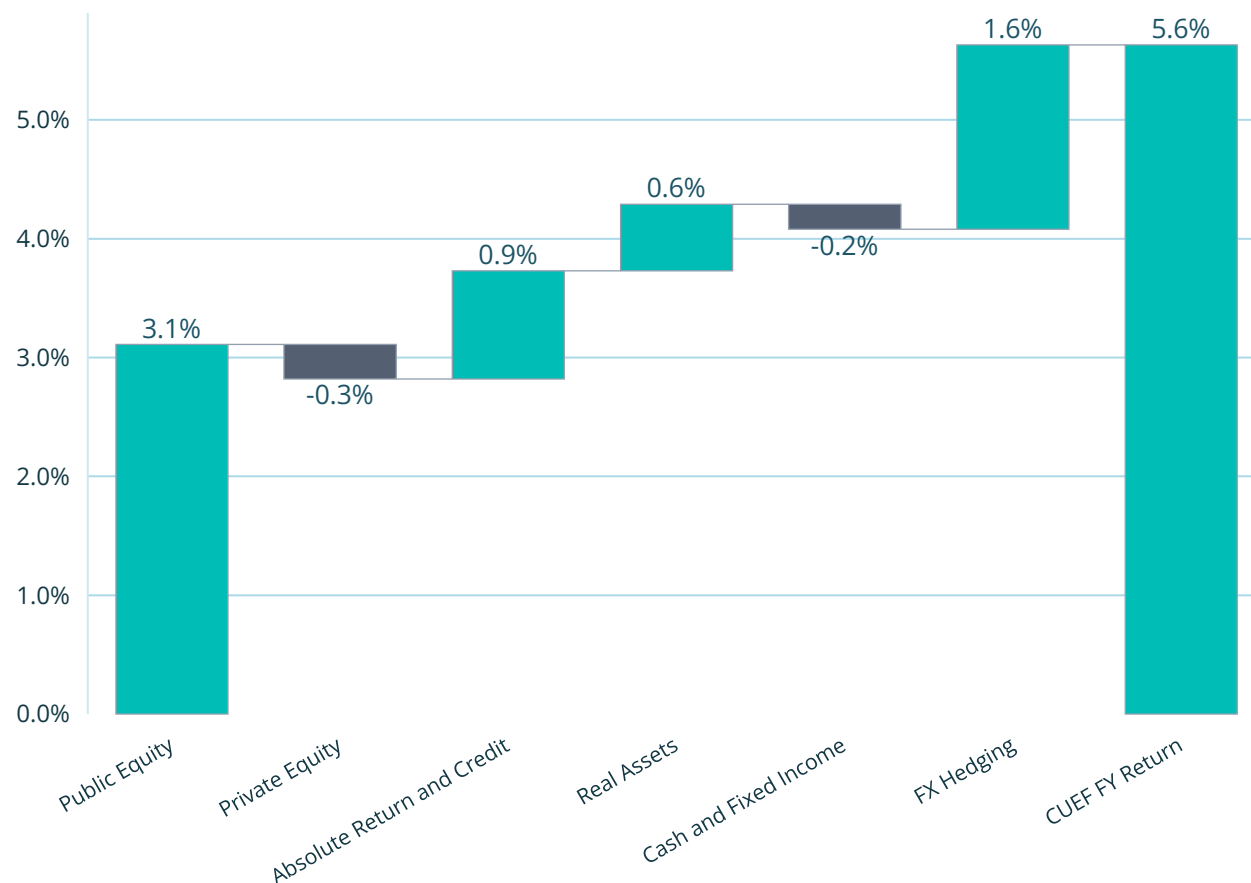
- CUEF returns are net of fees. All index returns in Pounds Sterling unless stated. Past performance is not indicative of future returns.

\* 1st July 2020 is the date at which various material changes to UCIM's general portfolio approach (and risk limits) were formally incepted by the UCIM Board.

\*\*The 65/35 Passive Portfolio consists of: 33% MSCI World Index (GBP-Unhedged) ex. fossil fuels after 1st July 2020, 24% MSCI World Index (GBP-Hedged) ex. fossil fuels after 1st July 2020, 8% MSCI Emerging Markets Index (GBP-Unhedged) ex fossil fuels after 1 July 2020, 15% Bloomberg Aggregate Bond Index (GBP-Hedged), 10% FTSE British Government Index-Linked All Stocks (GBP), 10% MSCI UK Quarterly Property Index (GBP).



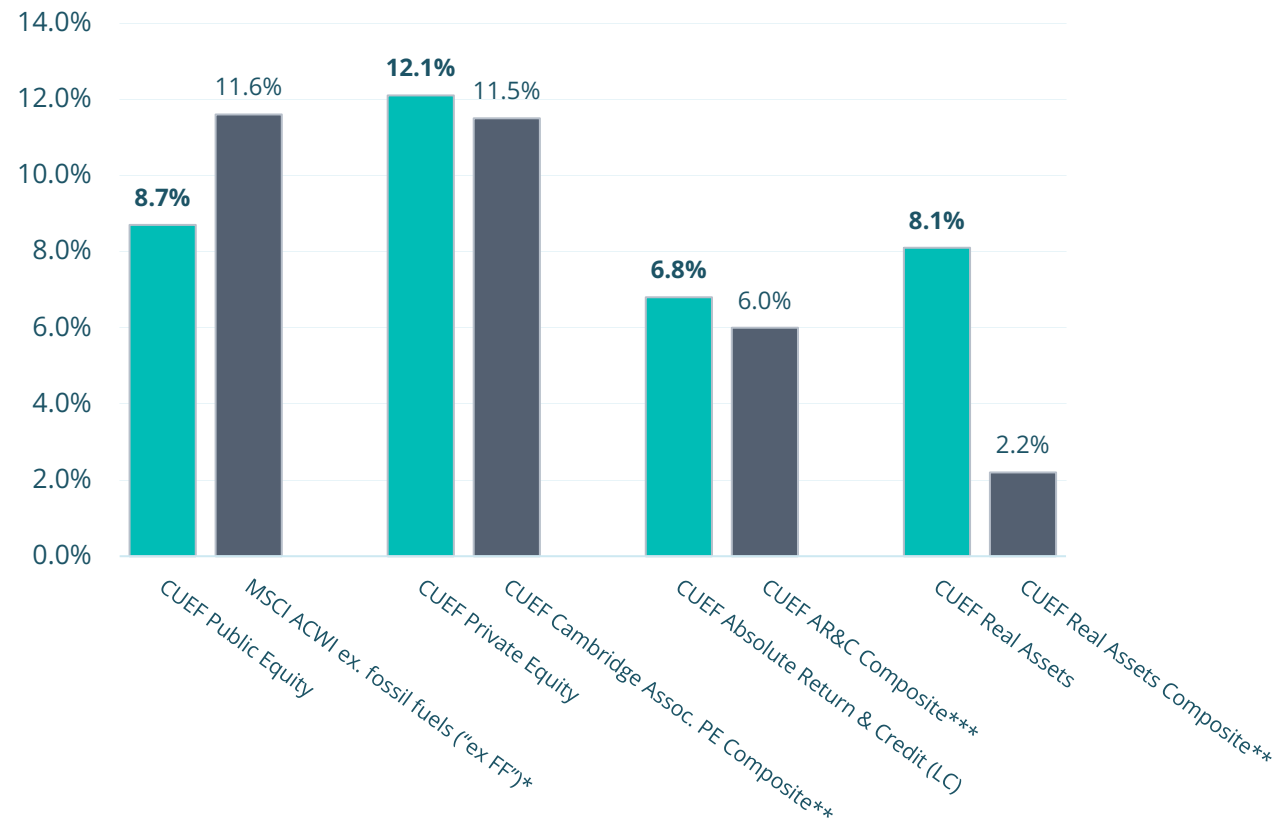
# CUEF Returns and Contribution for Year Ended 30th June 2025



- Public equity returns driven by strong performance by specialist managers with portfolios focused on technology, biotech and the energy transition.
- Private equity impacted by weaker US \$ and write downs to assets in two legacy positions.
- Absolute return and credit continues to deliver consistent positive returns, as well as act as a provider of liquidity.
- Real estate delivered strong returns, albeit smaller as a proportion of CUEF.
- Currency hedge only partially offset impact of decline of US \$.

**Source:** UCIM internal reporting (discrepancy in sum of contributions to FY Return due to rounding). Past performance is not indicative of future returns.

# Asset Class Performance – Five Years to 30th June 2025



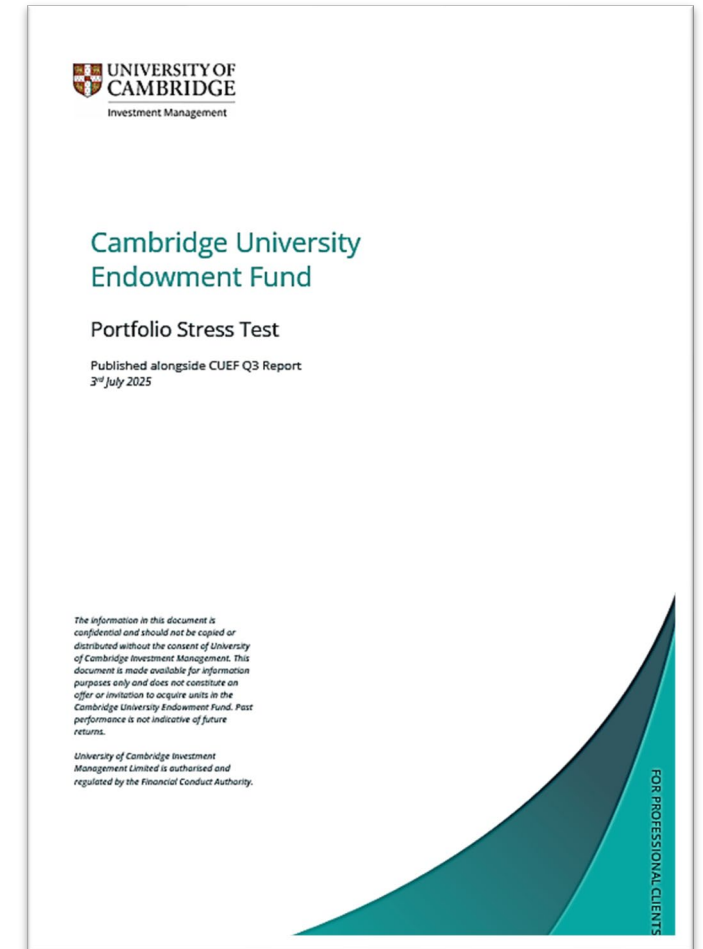
- Public equity underperformed index due to relative underweight position vs. developed markets, esp. large-cap, US tech companies.
- Private equity highest performing asset class, driven by buyout portfolio.
- Absolute return & credit fulfilling role by providing steady returns and liquidity.
- Real assets returns strong in both real estate and infrastructure.
- Manager selection and manager outperformance ("alpha") the largest contribution to returns over five years.

**Source:** CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg, Cambridge Associates and UCIM internal reporting.

**Notes:** CUEF returns are net of fees. All returns are provided in GBP, except for Absolute Return & Credit, for which we provide local currency returns. \* MSCI ACWI ex. fossil fuels data from 1st July 2020 onwards. \*\* Private Equity and Real Assets Composite Benchmark returns remain subject to change as underlying illiquid indices are released and finalised. \*\*\* AR&C composite reflects the change in benchmark from 1st July 2024. Until then, UK 0-1Yr Gilts + 400bps and thereafter 0.2 x MSCI World and 0.8 x UK 0-1Yr Gilts.

# CUEF Portfolio Resilience

- Liquidity provided by the development of an uncorrelated absolute return & credit portfolio since 2021, uncorrelated to broader equity markets
- Liquidity also available from a **revolving credit facility** (renegotiated in 2024)
- Maintain **appropriate level of cash** and equivalent assets
- Robust cash and risk management, modelling and internal reporting
- Portfolio **“Stress Test” completed annually**, reported to governing bodies and CUEF investors
- Under the core scenario, the CUEF **continues to pay distributions**, is able to **fulfil redemption notices**, and **does not need to sell equities** at depressed prices (and should be in a position to opportunistically purchase equities)

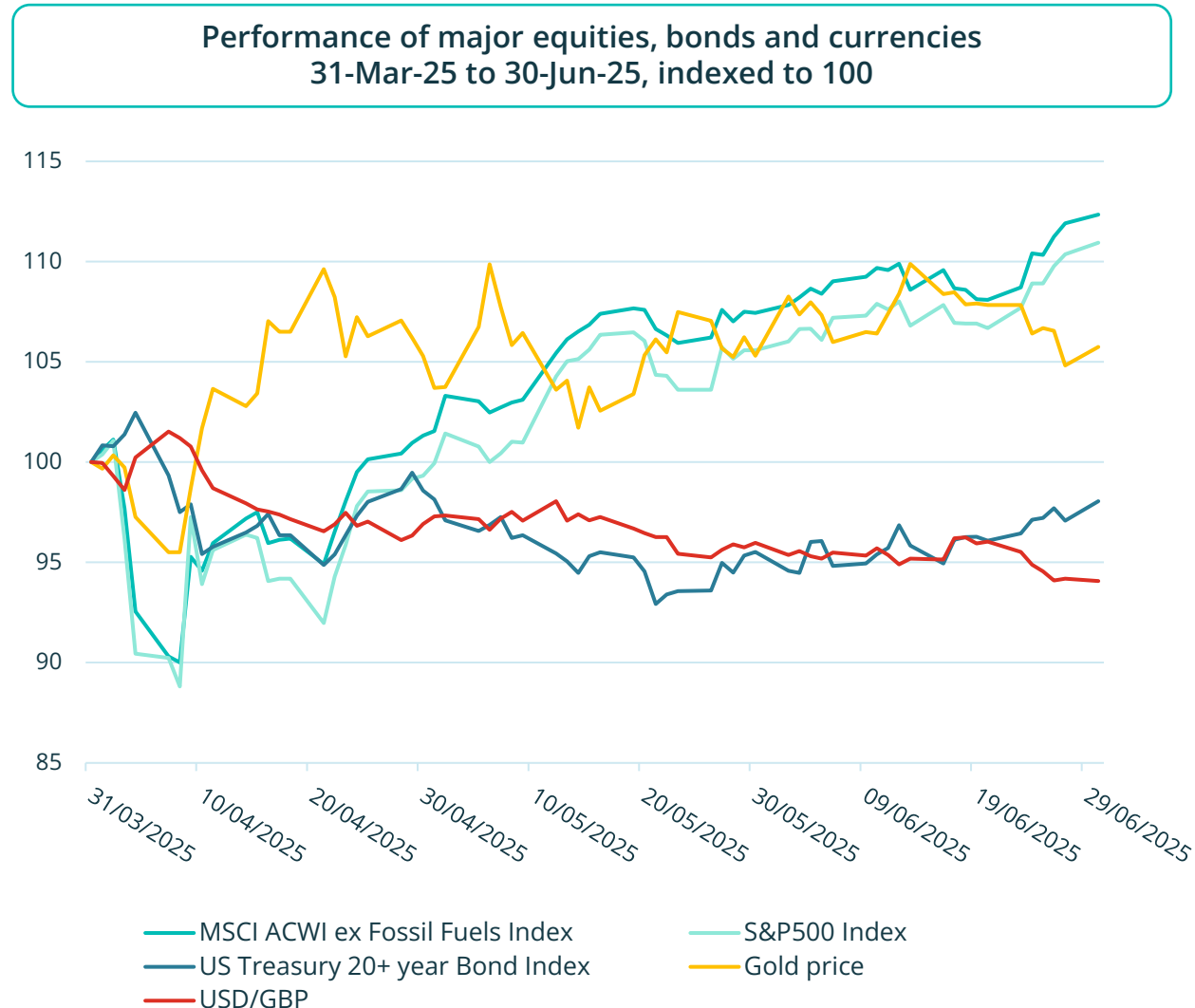


# CUEF Resilience In Period of Market Volatility

The 2nd April announcement of broad-based tariffs on foreign goods imported to the US caused significant market volatility.

## UCIM Actions:

1. Frequent contact with public equity and absolute return & credit managers, who provided helpful market insights.
2. Applied disciplined approach to maintain equity (and FX) exposure through selective and passive instruments – **net accretive to annual returns**.
3. Governing bodies kept updated throughout.



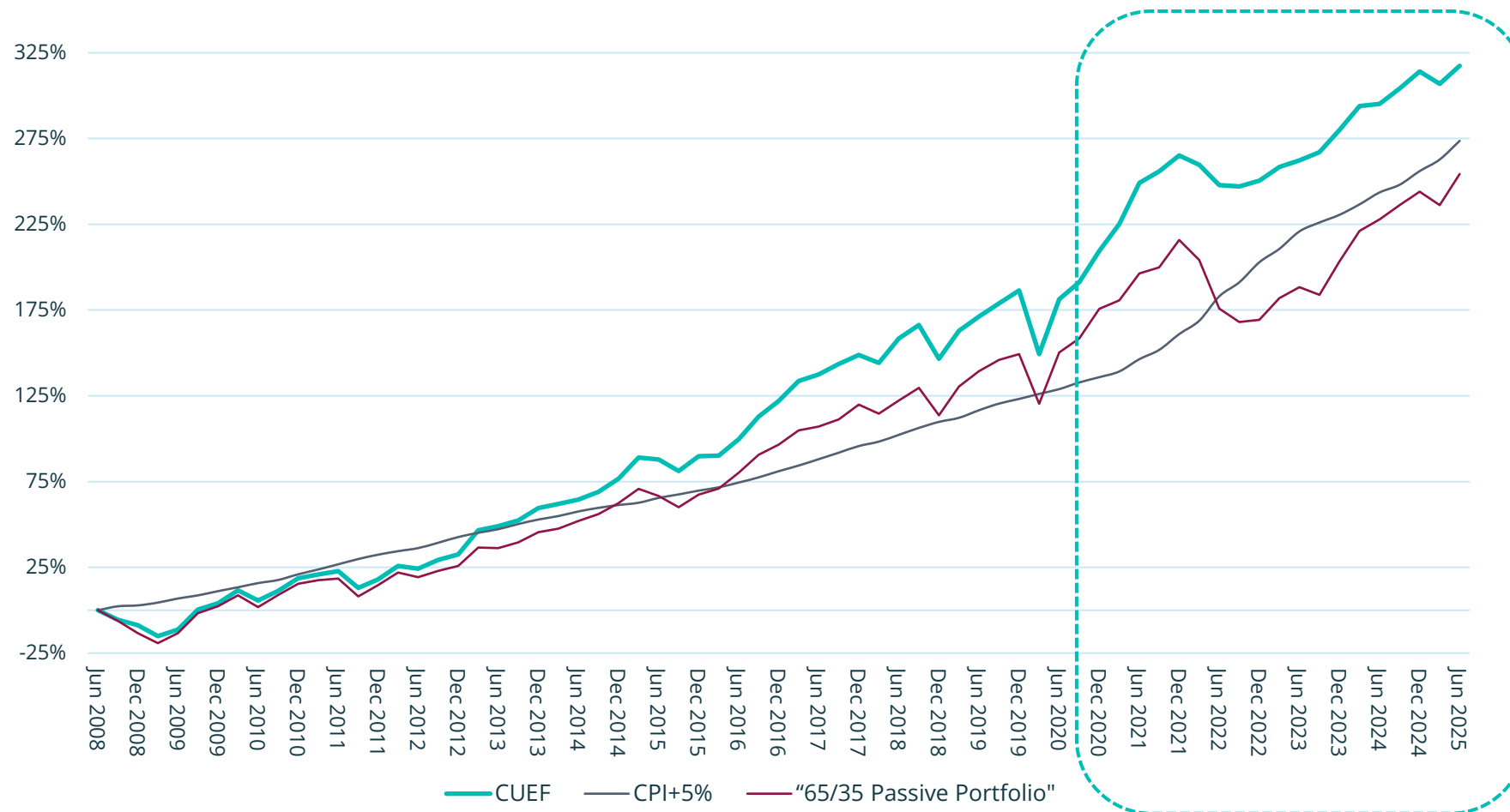
**Data source:** Bloomberg

**Note:** All index returns are total returns in US dollars unless stated otherwise. Performance data shown from 31<sup>st</sup> March 2025 to 30<sup>th</sup> June 2025. Past performance is not indicative of future returns.



# Long-Term Performance

Total portfolio cumulative net returns since June 2008 (%)



## 10-year annualised returns:

CUEF = 8.3%

CPI + 5% = 8.5%

65:35 "Passive Portfolio" = 7.8%

## Since 1 Jul-2020 the CUEF has:

- Increased investment value by over **£1.5 billion** in absolute terms
- Added over **£220m** in relative terms vs. a 65:35 "passive portfolio."

**Data sources:** CPI data from the Office for National Statistics (ONS), CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg and UCIM internal reporting.

- The 65:35 "Passive Portfolio" consists of: 33% MSCI World Index (GBP-Unhedged) ex fossil fuels after 1 July 2020, 24% MSCI World Index (GBP-Hedged) ex fossil fuels after 1st July 2020, 8% MSCI Emerging Markets Index (GBP-Unhedged) ex fossil fuels after 1st July 2020, 15% Bloomberg Global Aggregate Bond Index (GBP-Hedged), 10% FTSE British Government Index-Linked, All Stocks (GBP), 10% MSCI UK Quarterly Property Index (GBP).

Past performance is not indicative of future results.

# UCIM Commitments re Controversial Weapons and Additional Transparency

- UCIM does not and has never actively invested in weapons illegal under UK law
- UCIM fully supported the process of the University “Working Group” since Michaelmas Term 2024
- Working Group outcomes:
  - Endorsement of UCIM’s application of the fund-of-funds model
  - UCIM has developed a definition of Controversial Weapons
  - UCIM has confirmed its existing approach through a formal policy to have no exposure to Controversial Weapons under this definition, either through its third-party fund managers or through index investments
  - UCIM will report on this to the Cambridge University Endowment Trustee Body (“CUETB”) annually
  - UCIM will introduce a broader transparency reporting framework to the CUETB in November

# Organisational Update

**Karen Whinney**

Chief Operating Officer

# Organisational Update

## Governance

- ✓ External Board Effectiveness Review completed with positive outcomes, key recommendations are being implemented
- ✓ First Board “away day” completed
- ✓ Second year of UCIM's three-year internal audit plan completed, covering ODD for fund managers

## UCIM Team

- ✓ High levels of team engagement and satisfaction evidenced by average Pulse ratings of 4.5 (surveys from 2023), where 5 is “extremely satisfied”
- ✓ Very low staff turnover, many team members have recently celebrated five-year anniversaries
- ✓ Focus in the year has been on greater integration between the investment and operations teams, to strengthen further team collaboration and effectiveness.



# UCIM Information Technology

Focus of the year was the migration to a new, externally managed IT service provider specialising in the investment management, FCA regulated sector. Successfully completed in the Summer 2025.

## Impact

- Agile and secure IT infrastructure with a 24-hour security operations centre (SOC)
- Cyber Essential accreditation awarded Oct 25
- Managed devices more “locked down” (Defender, Entra ID, InTune etc) and system-enforced mobile device management ("MDM")
- Enhanced BCP capabilities via Keepit, Mimecast (for emails).
- Improved web security via Cisco Umbrella.
- Regular Phishing programme via KnowBe4 and continuous general IT, AI and cybersecurity training.

## Next Steps

- Obtain Cyber Essentials PLUS (independent audit of IT infrastructure), renew annually.
- Unlocking potential by leveraging this agile, secure IT infrastructure to roll out UCIM’s AI roadmap and tech innovation plans.
- Enhanced management information on IT and cyber to facilitate continuous improvement of operational efficiency and enhanced security.
- Access to specialised IT experts, IT webinars, IT training specific to the investment management sector.
- Easier rollout of penetration testing to support operational resilience to align with FCA best practice.

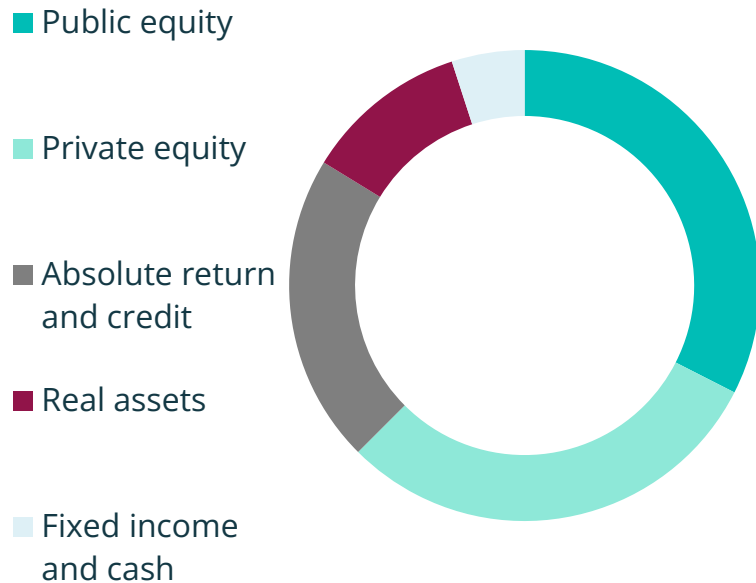
# Asset Allocation

**Benoit Ramsay**

Managing Director, Marketable Assets

# CUEF Constructed to Achieve Investment Objective Over the Long-Term

*CUEF Long-Term Target Asset Allocation*



Public equity (30.0-35.0%) – developed markets / emerging markets

*Combined equity portfolio – the “growth engine” of the portfolio*

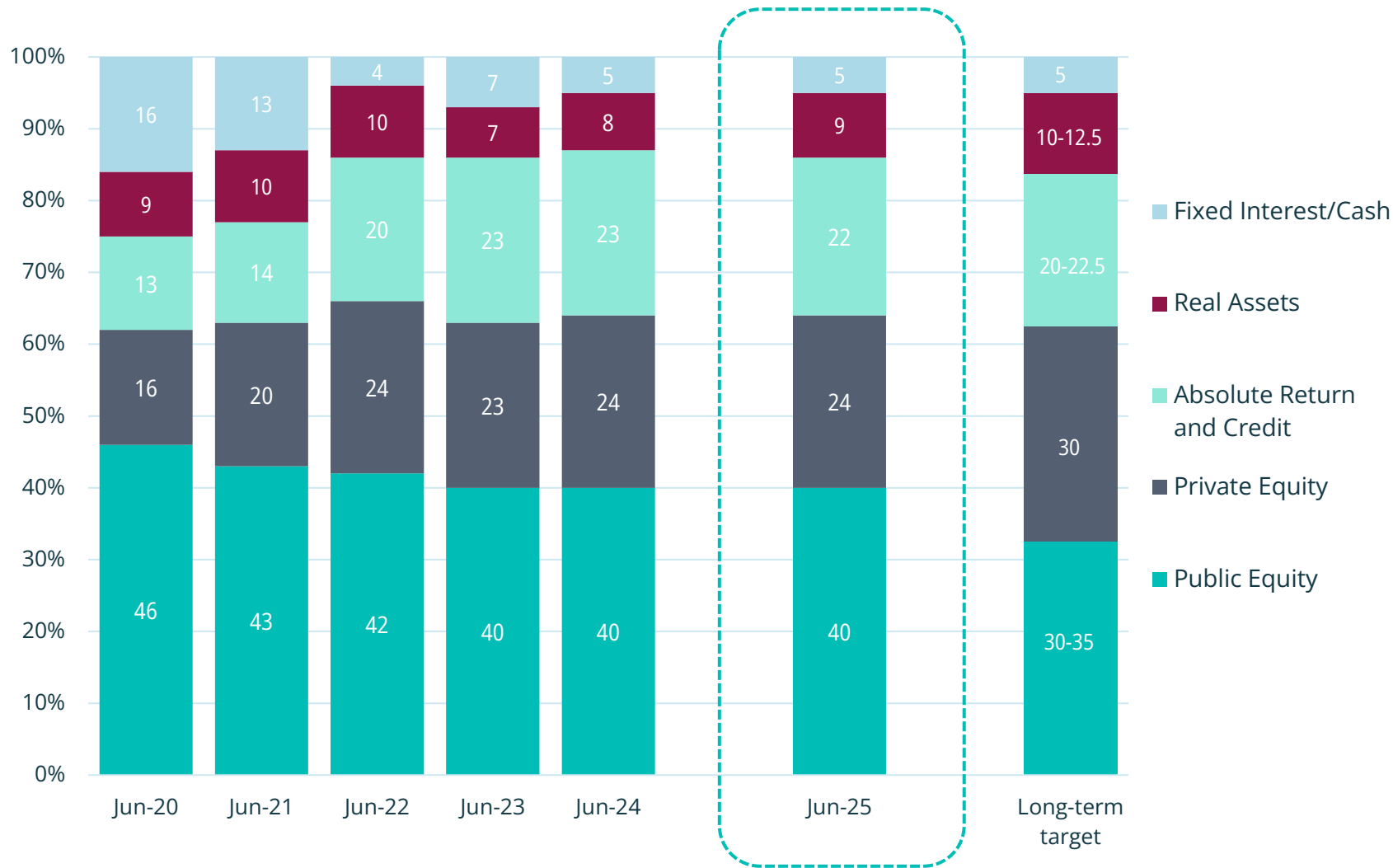
Private equity (30.0%) – buyout, venture capital and growth equity

Absolute return & credit (20.0-22.5%) – uncorrelated hedge funds  
*Equity “beta” of 0.2, provides liquidity and moderate returns*

**Real assets (10.0-12.5%) – real estate and infrastructure**  
*Less correlated to equities and fixed income, inflation protection, stable returns*

Cash and fixed income (5.0%)  
*Liquidity, regular source of income*

# Steady Progress Towards Target Asset Allocation

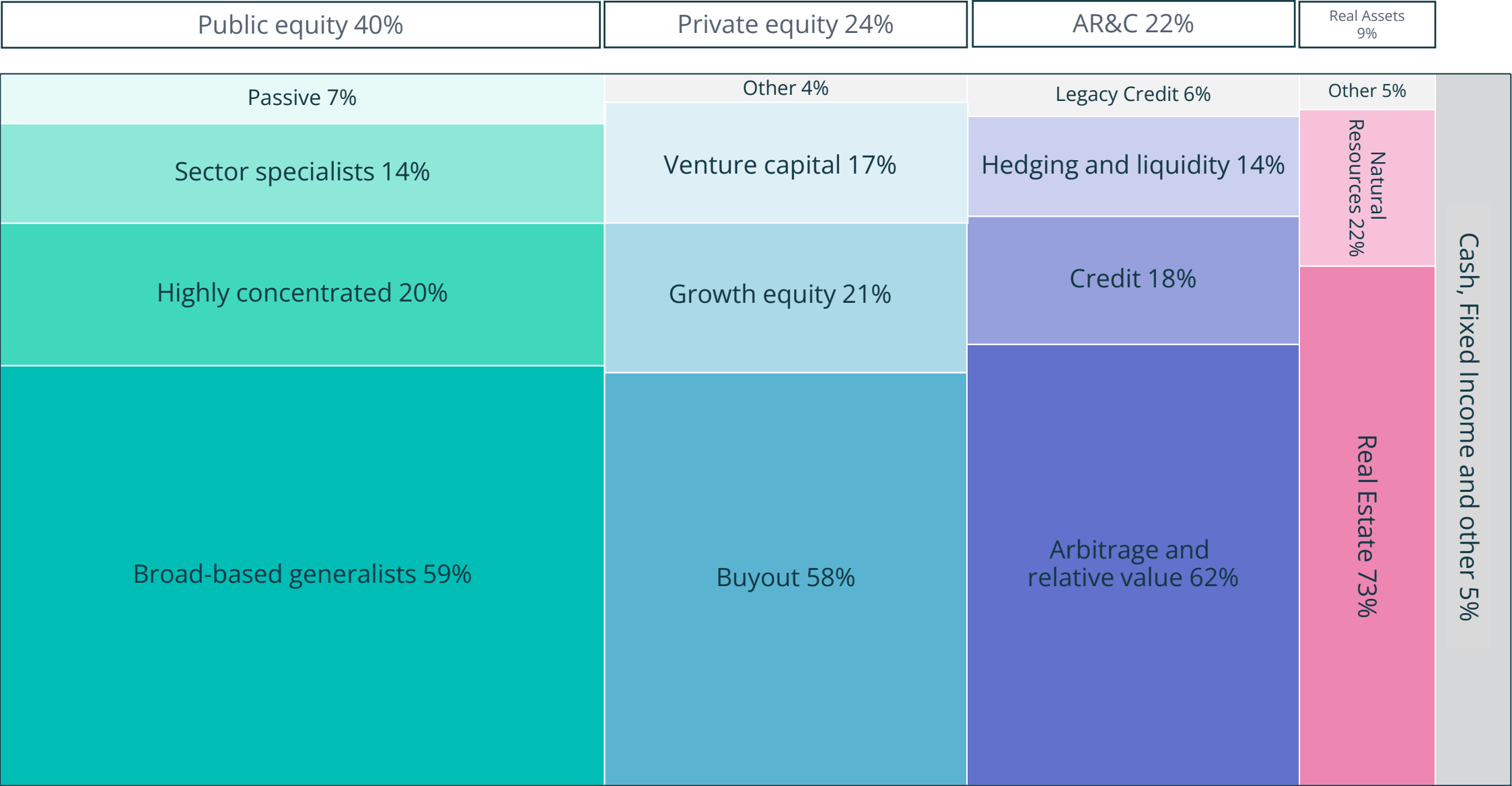


- Asset allocation strategy a key driver of performance since 2020.
- Public equity allocation has been reduced in favour of increased allocations to private equity and absolute return & credit.
- No material changes to asset allocation in the twelve months to 30th June 2025.

**Data source:** UCIM Internal Reporting.  
Cash and Fixed Income includes "Inflation-Sensitive Assets" for 2025.



# Portfolio Composition 30th June 2025



Source: UCIM Internal Reporting

# Fund Manager Selection

**Sam Sturge**

Managing Director, Private Assets

# UCIM Partners With Leading Fund Managers

## What do we look for?

Differentiated insights

Repeatable investment process

Partnership approach

Alignment with sustainability goals

Compelling risk-adjusted returns

## Typical UCIM manager

Fundamental investment strategy

Active portfolio management

Small number of funds/products

<£10bn assets under management

# Clear, Rigorous, Repeatable and Highly Selective Process

Sourcing

UCIM reviews c.500 opportunities a year from a variety of sources, including our existing managers, our broader networks, thematic screens and inbound solicitations.

Initial Due Diligence

In-person meetings, detailed analysis of team, culture, investment process, opportunity set, track record and case studies, identify risks, write initial thesis.

Detailed Review

Stress-test thesis, further meetings with wider team, comprehensive set of reference calls, evaluation against UCIM sustainability criteria.

Full Investment Memo

Detailed memo refined and discussed with Investment Advisory Board.

Since 2020, UCIM has reviewed >2,500 fund opportunities, from which only ~100 progressed to detailed due diligence.

**In FY 2025, UCIM partnered with 7 new fund managers.**





UNIVERSITY OF  
CAMBRIDGE

---

Investment Management

Q&A

# Asset Class Discussion

# Public Equity

**Sarah Wood**

Associate Director, Marketable Assets

# CUEF Public Equity Portfolio

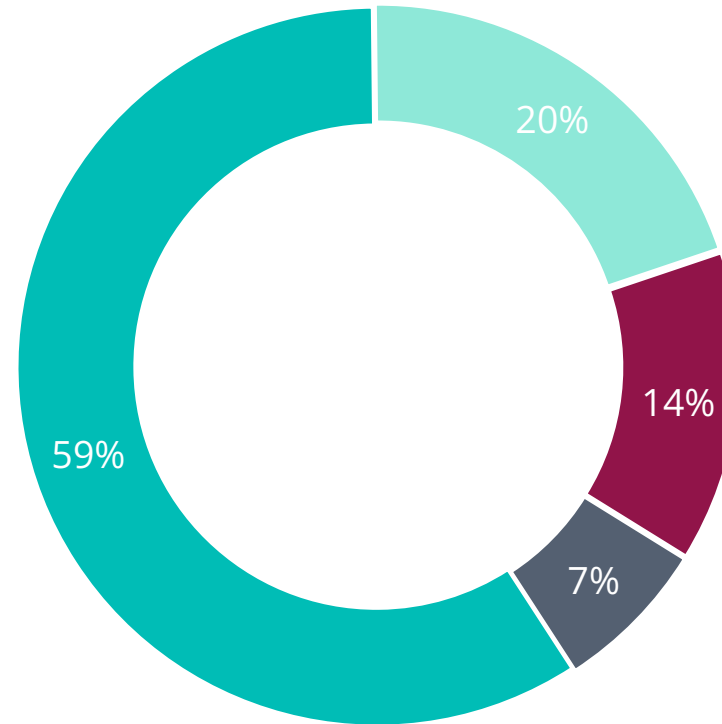
Public Equity = 40% of CUEF (30th June 2025)

## Broad-based generalist (59%)

- Provide broad market exposure with the freedom to invest across sectors and geographies.
- Act as a “ballast” in the portfolio.

## Highly concentrated (20%)

- Differentiated portfolios, returns usually led by stock selection (rather than geographic or factor exposures).
- Act as a key return driver of the portfolio (but expect “lumpy” returns).



- Broad-based generalist
- Highly concentrated
- Sector specialist
- Passive

## Sector Specialist (14%)

- Portfolios focused on a single sector.
- Act as key return driver of the portfolio (but expect “lumpy” returns).

## Passive (7%)

- Futures contracts on broad indices.
- Act as a very liquid part of the portfolio (daily trading), to support rebalancing.

*Data source: UCIM Internal Reporting.*

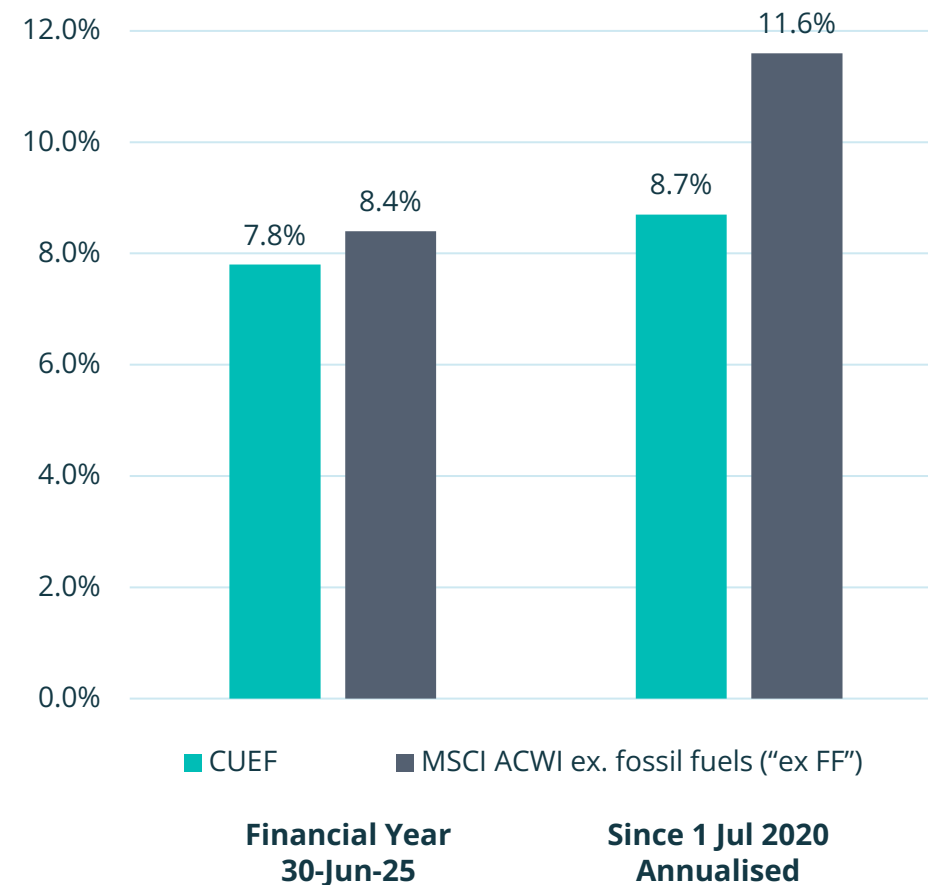
# Public Equity Performance

- Portfolio almost kept up with MSCI ACWI during FY2025, despite lower exposure to US tech stocks.
- Relative outperformance during market volatility post-Liberation day.
- Underlying manager performance has been strong in aggregate over the five years since new UCIM team arrived.
- However, lagging relative returns over last five years reflect composition of the CUEF public equity portfolio: relative overweight to emerging markets, and underweight US.
- Frequent active rebalancing decisions: timely additions or trims have added value over last five years.

**Data sources:** CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg and UCIM internal reporting.

All returns are provided in GBP. CUEF returns are net of fees. Past performance is not indicative of future returns.

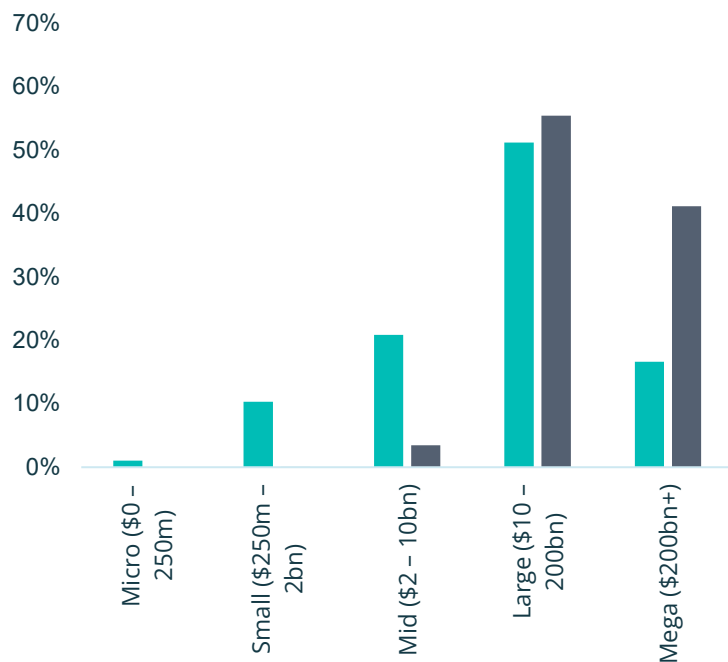
CUEF Public Equity  
vs. MSCI All-Country World Index ex. fossil fuels



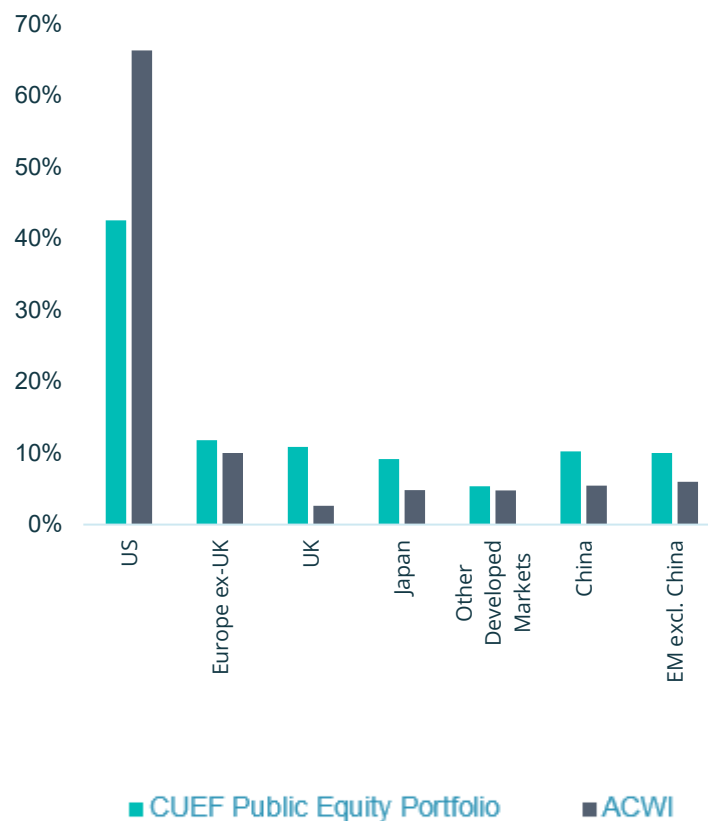
# Balanced Portfolio Construction

The CUEF public equity portfolio is more balanced than the ACWI index across the following metrics:

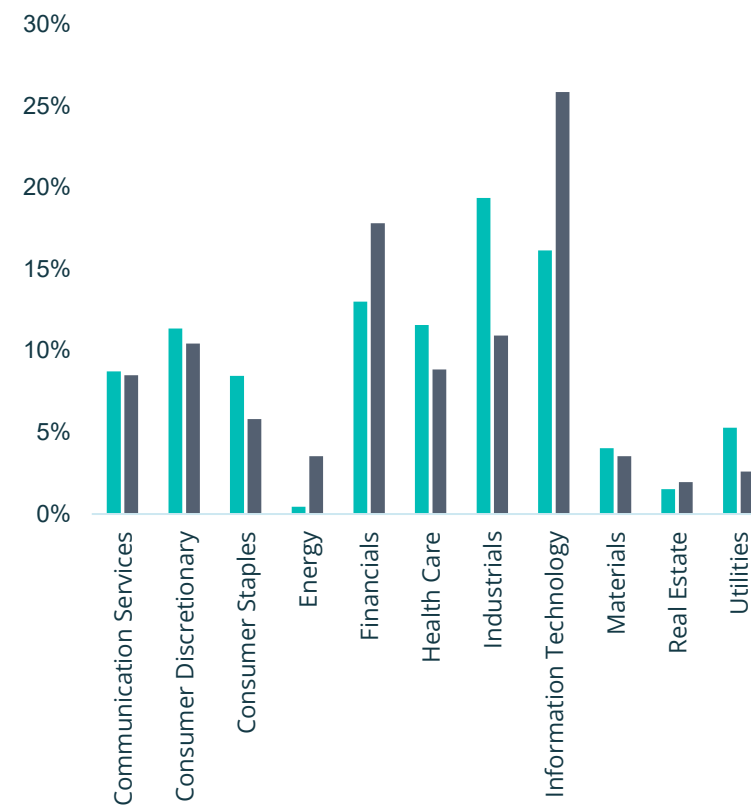
Exposure by Market Capitalisation



Exposure by Geography



Exposure by Sector



**Data sources:** Bloomberg and UCIM internal reporting.

# Update on Shareholder Engagement

UCIM published updated approach to shareholder engagement following extensive research into best practice

Oct  
2024

Q1  
2025

FY  
2025

Today

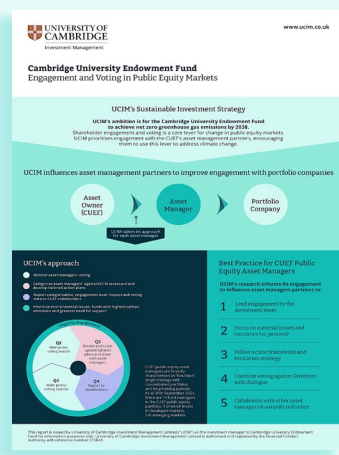
Implemented tailored action plans for 5 high-priority managers within public equity portfolio

FY  
2026

Target real-world impact

Communicated to all CUEF public equity managers; informed managers if they fell short of best practice

Prioritise engagement with managers who own the highest-emitting companies within the CUEF public equity portfolio



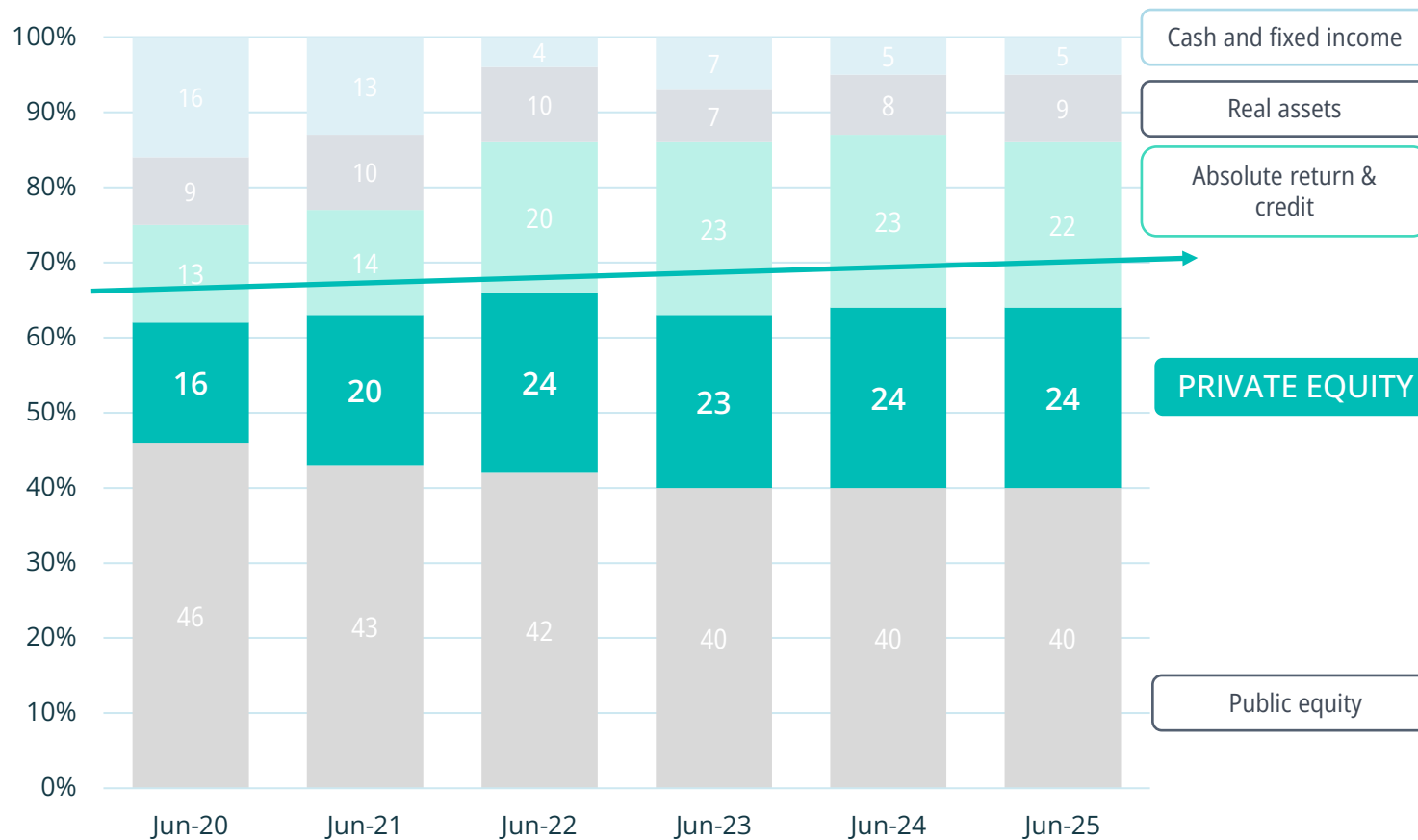


# Private Equity

**Sam Sturge**

Managing Director, Private Assets

# Steady Increase in Allocation to Private Equity Since 2020

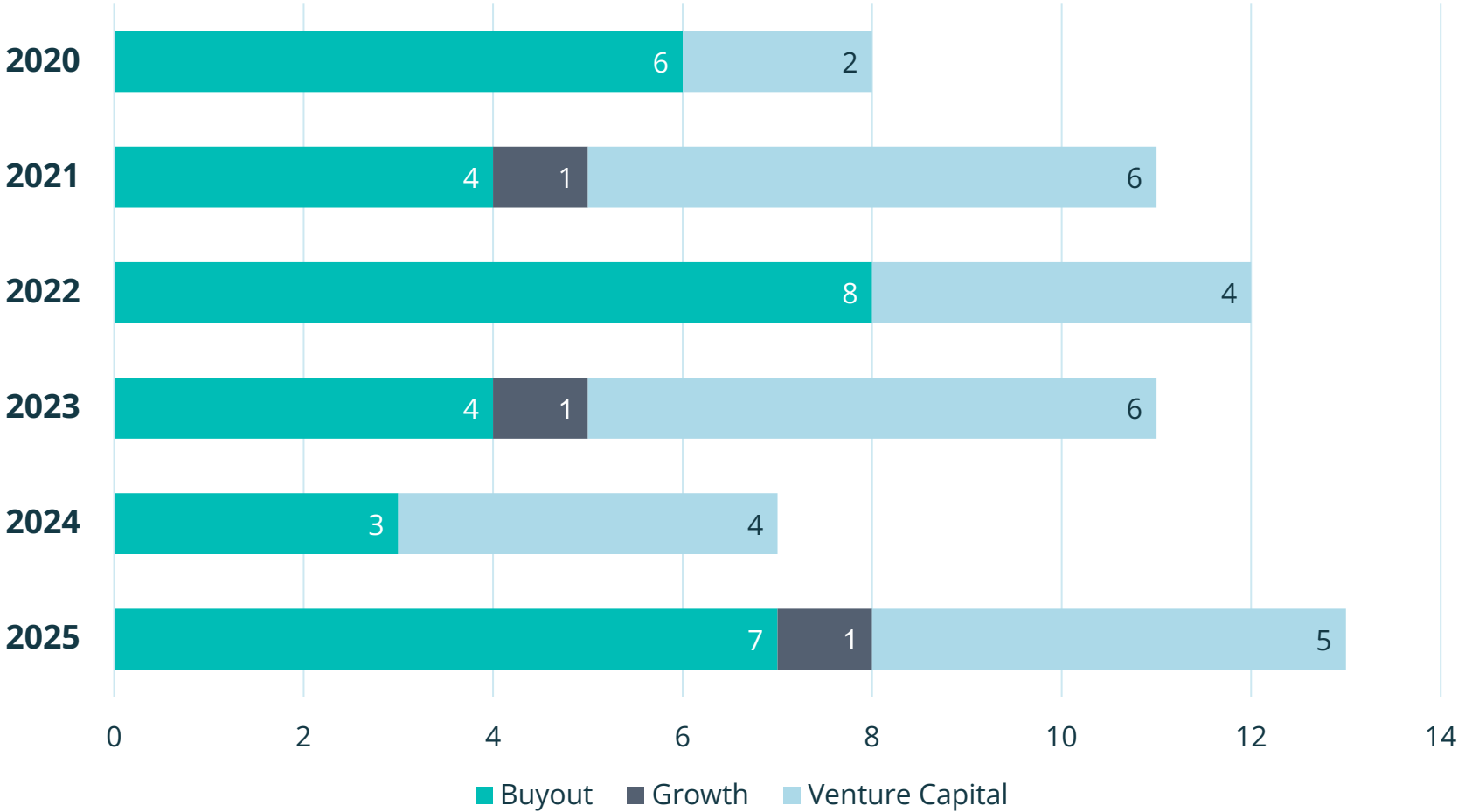


- The private equity portfolio is expected to be the highest-returning asset class within the CUEF.
- Ability to influence strategic direction and operations of portfolio businesses to catalyse long-term value creation.
- This influence can also be used to drive sustainability initiatives.
- Due to this return focus, we have taken a more bottom-up approach to investment selection.
- However, as we have expanded the private equity portfolio, we have reoriented it towards key growth sectors such as technology, industrials, and healthcare.

**Data source:** UCIM Internal Reporting.

# CUEF Private Equity Portfolio Development

Total number of private equity commitments



Total commitment value £



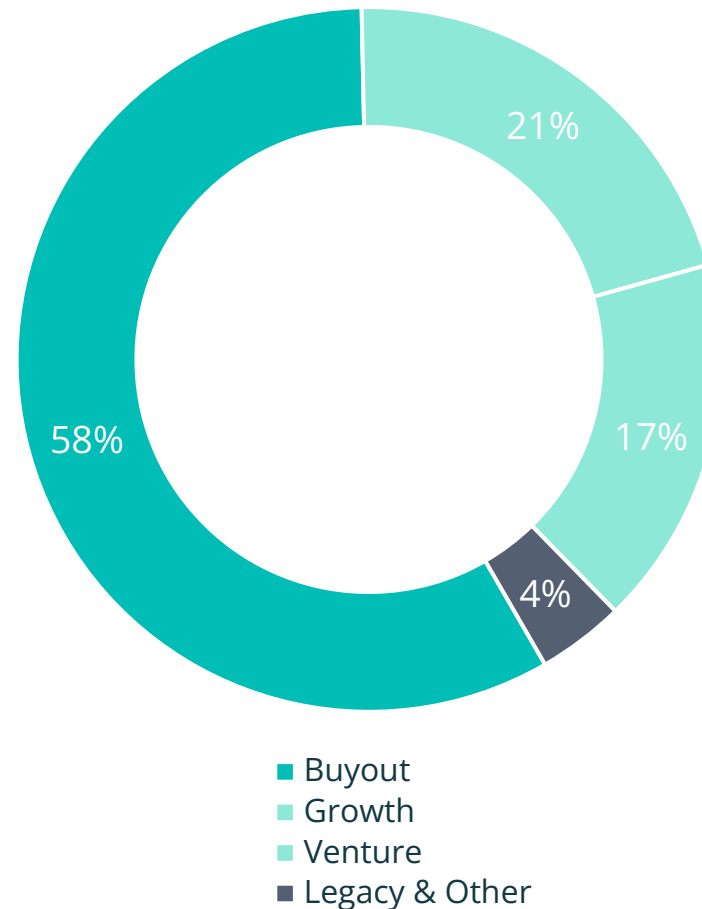
Data source: UCIM Internal Reporting.

# CUEF Private Equity Portfolio

Private Equity = 24% of CUEF (30th June 2025)

## Buyout (58%)

- Exceptional teams
- Targeting attractive sectors with strong tailwinds such as industrials, healthcare, and technology
- Returns driven by operations, not leverage
- Specific expertise to support this operating growth
- Strong references from management teams
- Potential to deliver >2x net multiples of invested capital



## Venture Capital (17%) Growth (21%) “Innovation”

- Exceptional teams
- Targeting innovative areas of technology
- Proven differentiation across four key success factors: sourcing, selecting, winning, and supporting
- Strong references from founders and other market participants
- Potential to deliver >5x net multiples of invested capital

**Data source:** UCIM Internal Reporting.

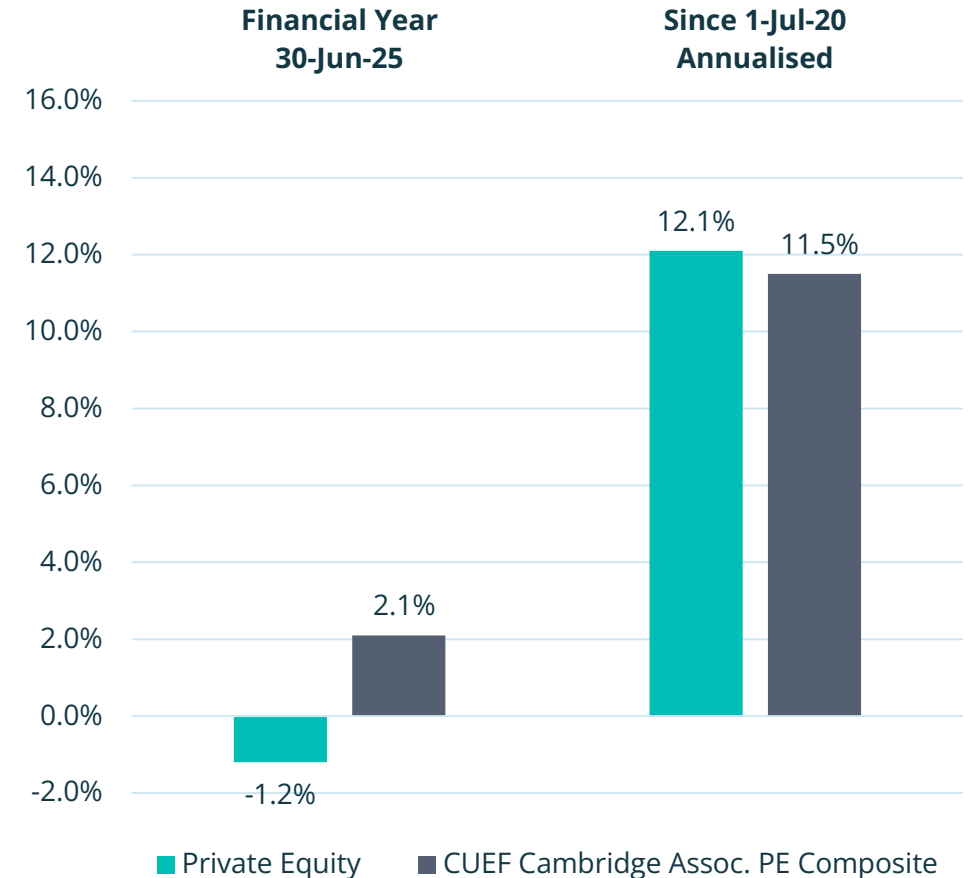
# Private Equity Performance

**Financial Year:** disappointing absolute and relative performance

- Returns muted across the asset class
- Weakness of USD (FY returns in USD 8.4%)
- Two write-downs in commitments made pre-2020
- Venture capital portfolio still relatively immature (“J-curve” impact)

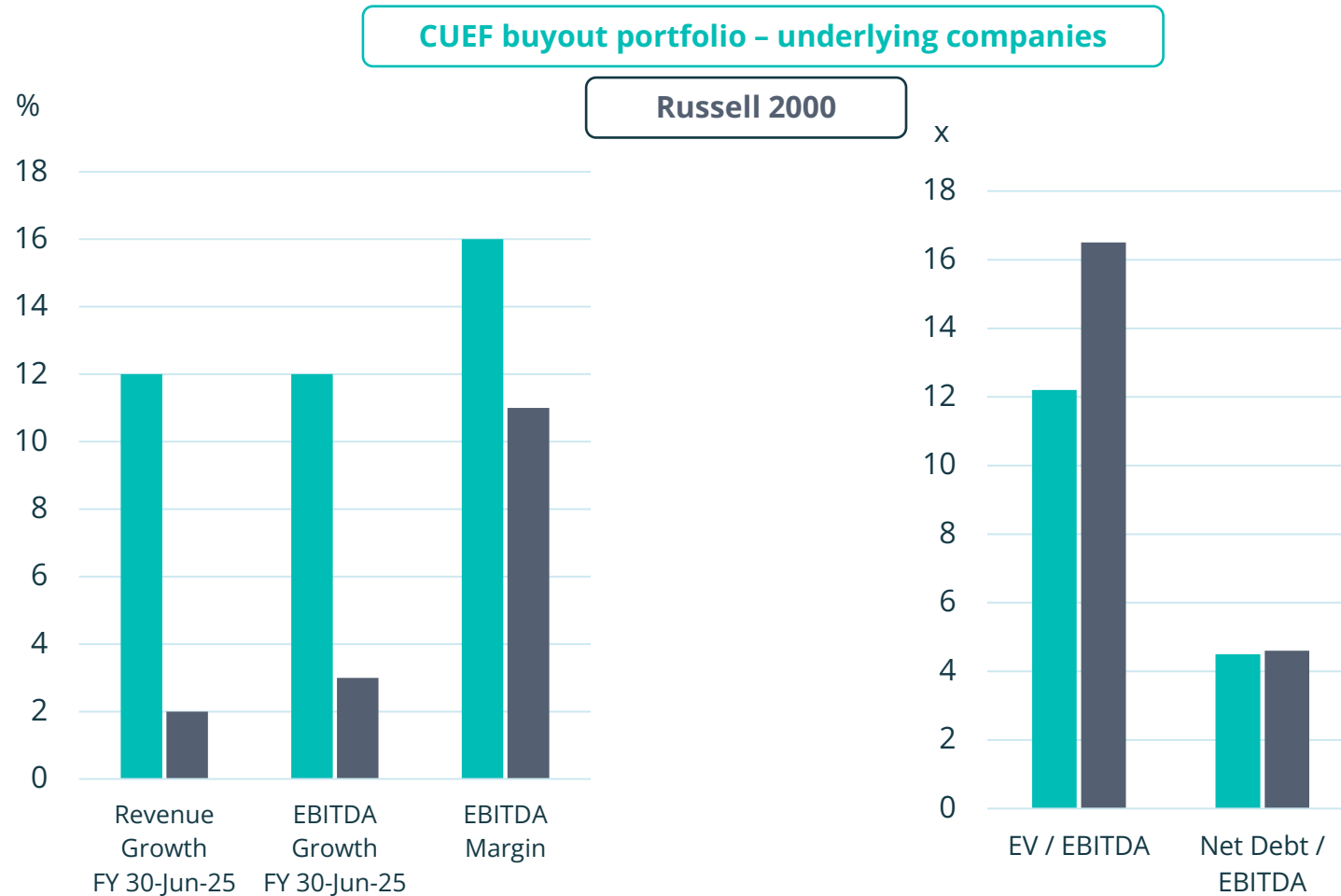
**Five Years:** CUEF private equity portfolio has outperformed its benchmark and MSCI ACWI ex. fossil fuels (11.6%), albeit market conditions have been more challenging since 2022

## CUEF Private Equity vs. CUEF Cambridge Associates PE Composite



**Data sources:** CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg, Cambridge Associates and UCIM internal reporting. All returns are provided in GBP. CUEF returns are net of fees. Past performance is not indicative of future returns.

# CUEF Buyout Portfolio – Underlying Company Metrics Strong Vs. Public Market Equivalents



## CUEF buyout portfolio vs. public market equivalent:

- Higher average revenue and earnings growth
- Higher EBITDA margin
- Lower valuation multiple

### Data sources:

- Russell 2000 data sourced from Bloomberg.

- CUEF buyout portfolio data UCIM internal estimates. CUEF buyout portfolio aggregate revenue and EBITDA growth numbers only include those businesses that were in the portfolio on 30th June 2024 and 30th June 2025 (i.e. does not take into account acquisitions and realisations).

Past performance is not indicative of future returns.

# Absolute Return & Credit

**Benoit Ramsay**

Managing Director, Marketable Assets



# CUEF Absolute Return & Credit Portfolio

Providing uncorrelated liquidity through the cycle

## Purpose

- Act as a **reliable, stable source of liquidity** to the CUEF, particularly during severe market disruption
- To be **uncorrelated to broader equity markets**

## Target Return

Cash + 4% per annum

# CUEF Absolute Return & Credit Portfolio

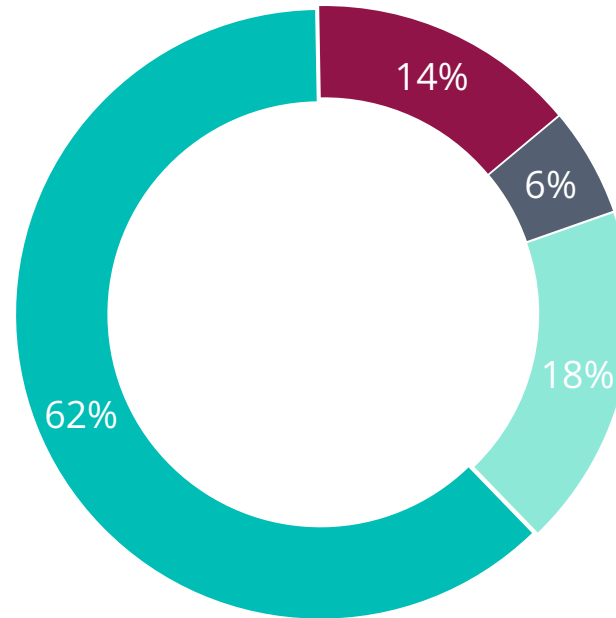
AR&C = 22% of CUEF (30th June 2025)

## Arbitrage and Relative Value (62%)

- “Return engine”
- Managers’ expertise - generating returns with limited correlation to broader markets
- 7 managers

## Credit (18%)

- Managers investing in stressed and distressed corporate debt
- Higher correlation to markets, higher return potential
- 3 managers



- Hedging and Liquidity
- Legacy
- Credit
- Arbitrage and Relative Value

## Hedging and Liquidity (14%)

- Intentionally negatively correlated to equity market drawdowns
- Manager expertise - finding “insurance” against market downturns at reasonable cost
- 2 managers

## Legacy (6%)

- Private credit allocations made pre-2020, winding down

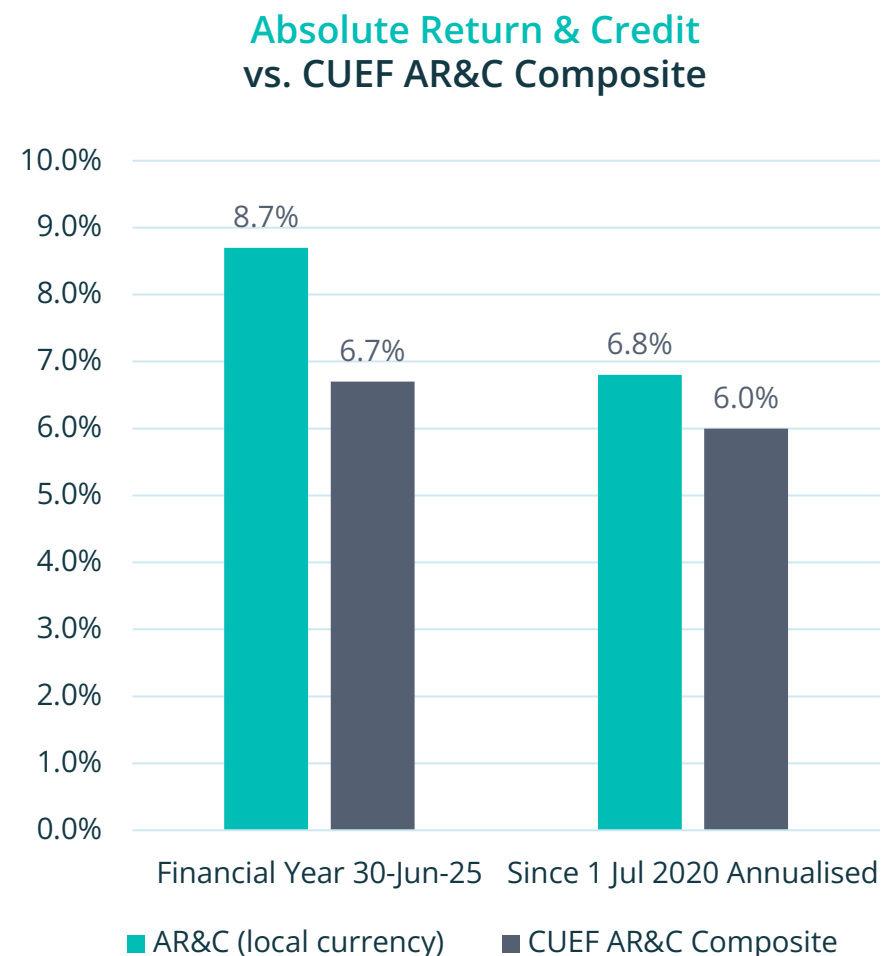
**Data source:** UCIM Internal Reporting.

*In aggregate, there are 11 relationships, as one relationship is represented by two funds in different sub-categories of the portfolio.*

# CUEF Absolute Return & Credit Portfolio - Performance

## Steady and ahead of target

- Strong performance in the Financial Year, with positive contributions across all core strategy buckets
- Ten out of the portfolio's twelve core managers recorded positive returns in their local currency
- Over five years since 1<sup>st</sup> July 2020, the portfolio has achieved its objective of proving a steady stream of returns
- UCIM has high conviction in its present AR&C manager roster and expects only minor changes going forwards



**Data sources:** CUEF returns calculated based on CUEF Net Asset Value, other data sourced from Bloomberg and UCIM internal reporting.  
Absolute Return & Credit returns provided in local currency.  
Past performance is not indicative of future returns.

# Strategy Contribution to Returns: FY20/21 to FY 24/25

Performance, particularly in recent years, driven by arbitrage & RV and credit categories

	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	TOTAL Cumulative	TOTAL Annualised
<b>Arbitrage and Relative Value</b>	+8.8%	-0.3%	+3.4%	+5.0%	+5.7%	<b>+25.5%</b>	<b>+4.4%</b>
<b>Credit</b>	+0.4%	-0.4%	+2.1%	+2.0%	+2.2%	<b>+7.2%</b>	<b>+1.3%</b>
<b>Hedging &amp; Liquidity</b>	<i>n/a</i>	-1.3%	-0.3%	-1.0%	<b>+1.2%</b>	<b>-1.7%</b>	<b>-0.3%</b>
<b>Legacy</b>	+5.1%	+1.6%	+0.8%	+0.0%	-0.4%	<b>+8.0%</b>	<b>+1.5%</b>
<b>TOTAL</b>	<b>+14.2%</b>	<b>-0.4%</b>	<b>+6.1%</b>	<b>+6.0%</b>	<b>+8.7%</b>	<b>+39.0%</b>	<b>+6.8%</b>

*Source: UCIM internal reporting; performance stated in local currency terms. Past performance is not indicative of future returns.*

# Applying a Sustainable Investment Approach to Hedge Funds

## PROBLEM

Some industry conversations but minimal consensus and **most long-term investors have avoided addressing this issue:**

- The wide variation of investment strategies
- Relatively high turnover of securities
- Generally less influence over management teams

## APPROACH

- High-level, pragmatic approach to develop reporting metrics which can lead to **real-world impact**
- Series of **categories to differentiate strategies** and recommend investment, engagement and reporting protocols
- **Gather feedback** through the development process from asset owners and fund managers

## FEEDBACK

- **Asset owners:** broad support with helpful suggestions around implementation and framework to assess transition plans
- **Fund managers:** agree with idea of “appropriate calibration” of sustainability initiatives; encouraging level of support
- **To work through:** some credit strategies are not straightforward to categorise AND data issues remain

## Next steps:

- Refine framework and continue roll-out to CUEF managers
- Partner with like-minded asset owners / industry body
- Develop and publish as industry “guidance”

# Real Assets

Timo Fritzing

# CUEF Real Assets Portfolio Evolution

## Real Assets Portfolio 2020

### Real Estate

- Mixture of assets held both directly and in pooled funds.
- Managers mainly “generalist”.
- Assets under-managed.

### Natural Resources

- Two fund managers investing in conventional energy.
- No exposure to renewable energy through dedicated real assets manager.

## Approach

Dispose of non-core assets, redeploy capital into long-term vehicles with aligned partners.

- Relationships with conventional energy managers discontinued.
- Deploy capital to renewable energy infrastructure as a source of returns AND commitment to energy transition.



# CUEF Real Assets Portfolio

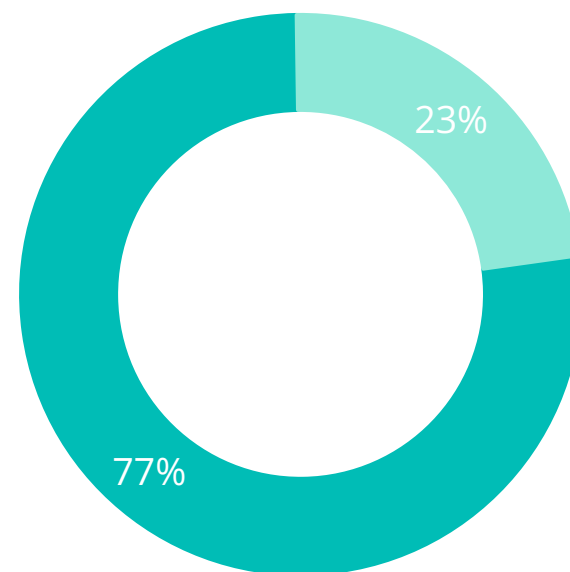
Real Assets = 9% of CUEF (30th June 2025)

## Real Estate

- Four specialist managers - commercial property, multi-tenant residential, light industrial assets, specialist (e.g., science parks and lab space).
- Approx. two-thirds directly owned, where CUEF is the single partner in an open-ended fund.

## Natural Resources

Allocations to two specialist renewable infrastructure managers and energy transition commodities.



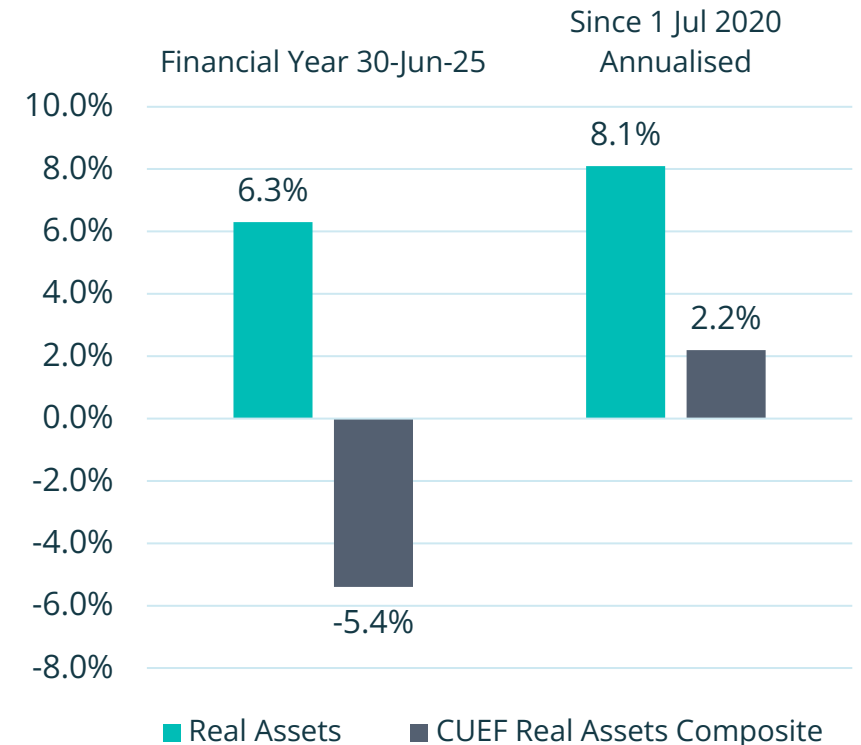
■ Real Estate    ■ Natural Resources

**Data source:** UCIM internal reporting.

# Real Assets Performance

- Long-term asset owners such as university endowments allocate to real assets to provide diversification and hedging against inflation.
- Real estate:
  - Strong returns, driven by rental growth across the asset base, esp. the manager of light industrial units
  - Managers have shown discipline in purchasing assets and capex in rental market
- Natural resources:
  - Legacy conventional energy manager has been a drag on returns
  - Renewable energy infrastructure managers still relatively early stage but encouraging

## Real Assets vs. CUEF Real Assets Composite



**Data sources:** CUEF returns calculated based on CUEF Net Asset Value, data sourced from MSCI and Cambridge Associates and UCIM internal reporting. All returns are provided in GBP. CUEF returns are net of fees. Past performance is not indicative of future returns.

# Real Estate Case Study

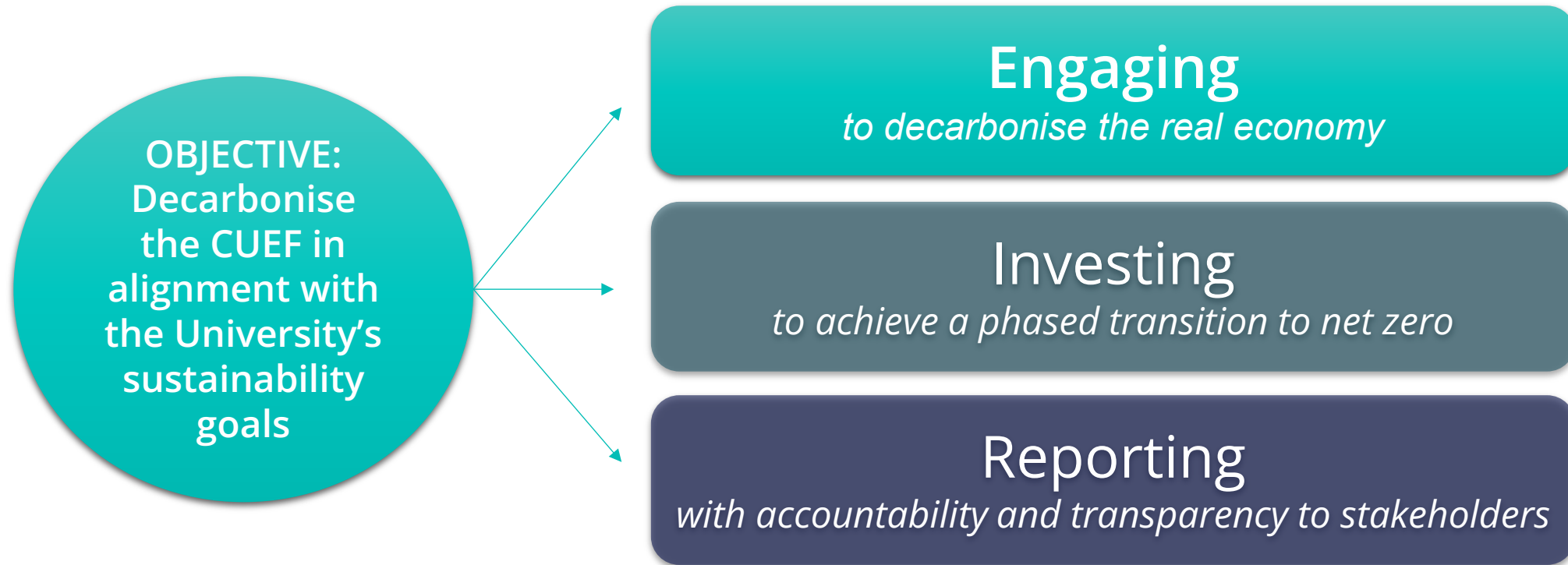
Thesis	Manager	Activity
<ul style="list-style-type: none"><li>▪ As part of reshaping real-estate portfolio, UCIM was seeking professionalised exposure to UK residential market</li><li>▪ UK rental sector growing as overall share of housing market; structural lack of supply creates opportunity</li><li>▪ Build to rent (BTR) will take increasing market share, relatively low-risk</li><li>▪ These market trends even more pronounced in London</li><li>▪ Potential for greater institutionalisation of professional rental market in UK and London</li></ul>	<ul style="list-style-type: none"><li>▪ Family-owned firm, 48 years experience, strong track record</li><li>▪ Entrepreneurial team, disciplined approach to acquiring assets; &gt;97% rental collection rates</li><li>▪ Well aligned (substantial founder capital)</li><li>▪ Seek opportunities “overlooked” by market with potential to use expertise to generate positive returns</li><li>▪ Invest in assets for the long-term, through the economic cycle</li><li>▪ £3 billion assets in UK, focused on residential rental, inc. student accommodation, mainly London</li></ul>	<ul style="list-style-type: none"><li>▪ Commenced relationship in 2023 as sole investor - £50 million commitment, currently 65% called</li><li>▪ Three London, multi-unit assets acquired in 2024</li><li>▪ One deal completed in October 2025 in North London (44 units)</li><li>▪ Sustainability engagement focused on reporting in line with CRREM for 100% of portfolio</li><li>▪ Three senior members of the investment team attended a dedicated one-day real estate sustainability workshop in September 2025</li></ul>

# Sustainable Investment

**Honor Fell**

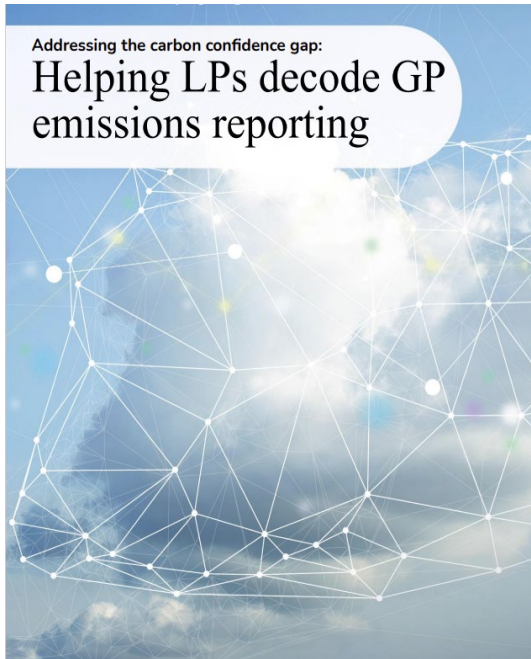
Associate Director and Sustainable Investment Lead

# Sustainable Investment Strategy



# Engagement Focused on Achieving Real-World Impact

- Tailored approaches for managers in each asset class
  1. Identify where there is a “problem to be solved”
  2. Focus on managers with whom UCIM has greatest influence
  3. Prioritise managers with the ability to drive change in their portfolios
- Regular check-in and support
- Relationship with the University is a key point of differentiation



UNIVERSITY OF  
CAMBRIDGE

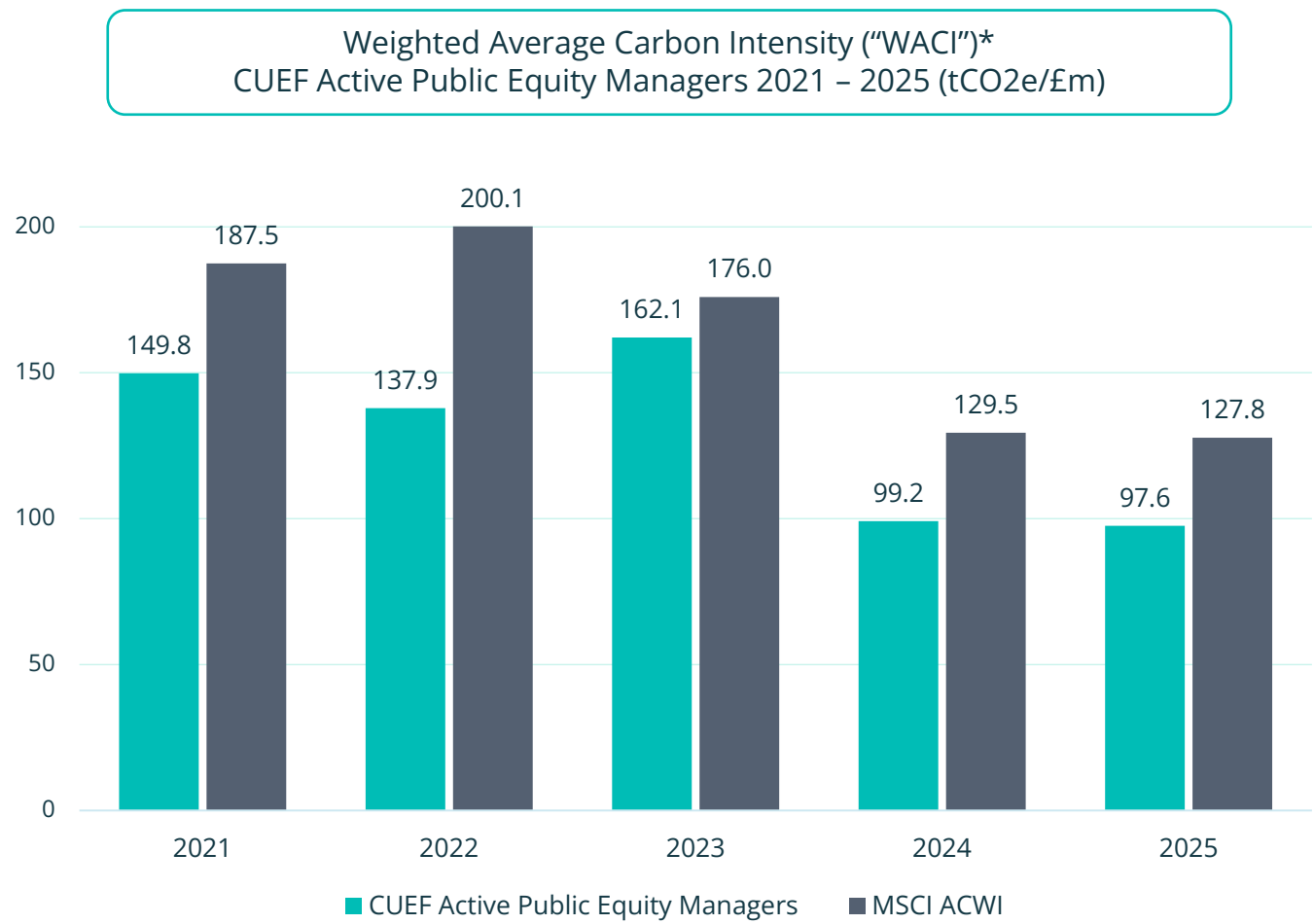
Institute for Sustainability  
Leadership

# Engagement Supported by the University's Expertise in Climate Science

## Executive Education Programme with CISL

Outcomes	Impact	Next Steps
<ul style="list-style-type: none"><li>▪ 5 cohorts completed</li><li>▪ 47 fund managers participated</li><li>▪ &gt; \$500 billion total AuM</li><li>▪ 62% of CUEF NAV</li></ul>	<ul style="list-style-type: none"><li>▪ All firms required to develop an actionable project and plan</li><li>▪ Tangible impact on sustainable investment approach</li><li>▪ Strong connections built between UCIM's partners</li><li>▪ Cemented our reputation as a pioneering asset owner</li></ul>	<ul style="list-style-type: none"><li>▪ Continue to provide programme to new partners</li><li>▪ Increase asset-class specific content</li><li>▪ Build on connections and foster a community of UCIM fund managers (follow-on support, materials, webinars etc.)</li></ul>

# Public Equity Carbon Footprint Declined 35% Since 2021

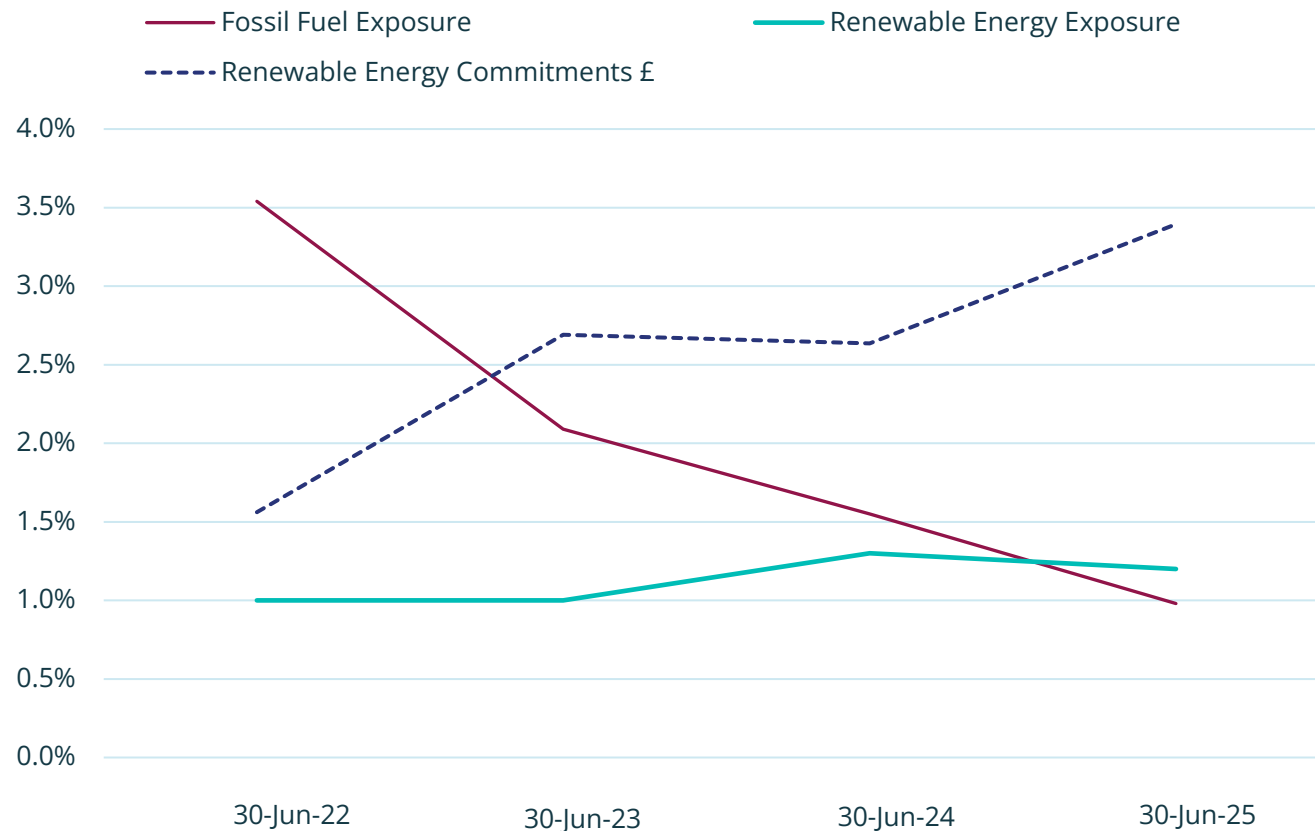


Source: Bloomberg, UCIM internal reporting. \*WACI takes the carbon intensity of each company, measured as Scope 1 and Scope 2 greenhouse gas emissions per £ million revenue, and weights it based on holding size within the portfolio, i.e. the current value of the investment relative to total portfolio value.



# CUEF Exposure to Renewable Energy Now Exceeds Exposure to Fossil Fuels

Energy Exposure and Commitments (% CUEF NAV), 2022-2025



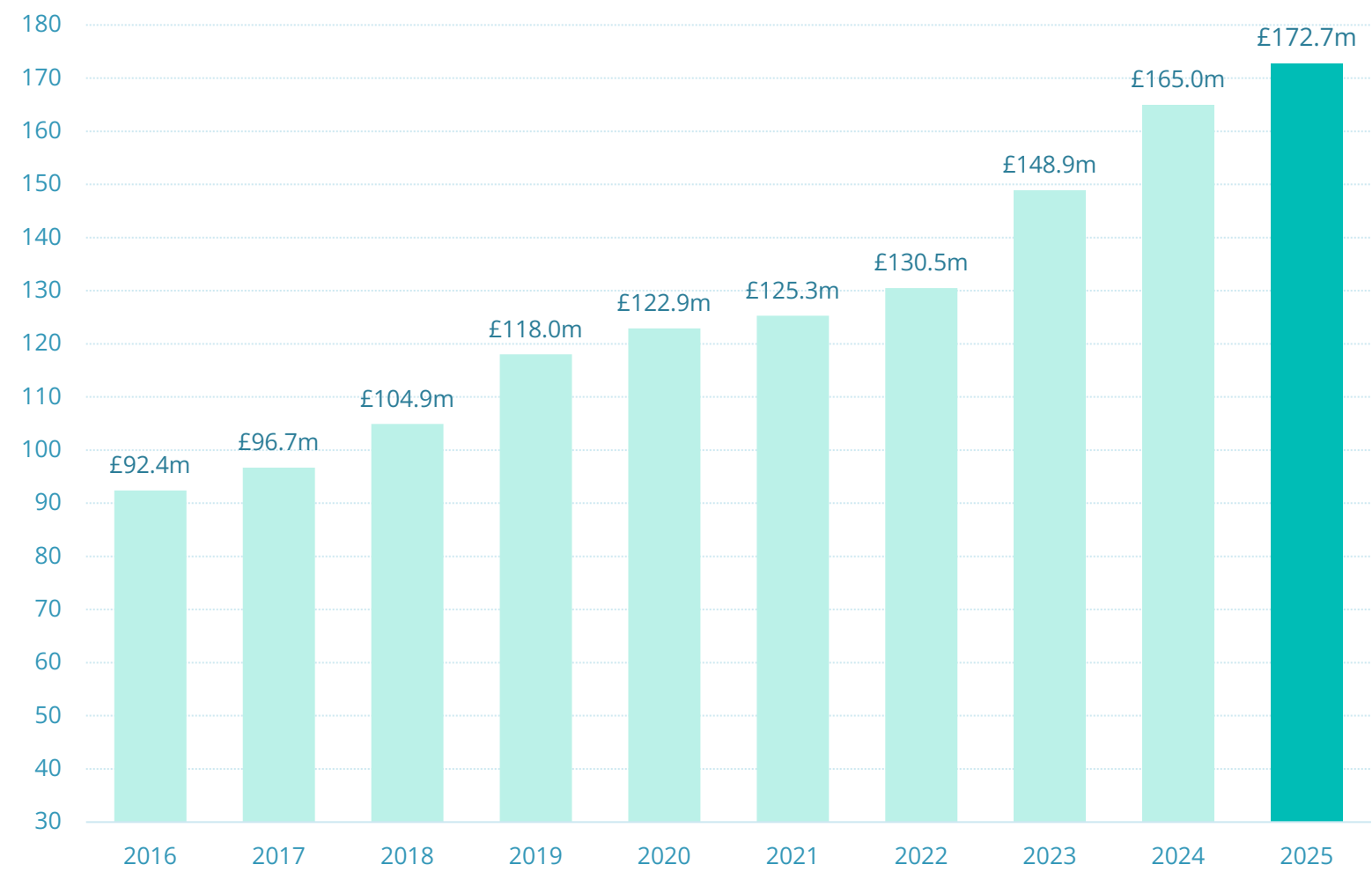
- Since 2021, UCIM has made a total of **£145 million in commitments to two specialist renewable energy fund managers**, equivalent to 3.3% of the CUEF.
- The CUEF has **additional 5.3% exposure to renewable energy** through a specialist manager with public equity and absolute return & credit funds.

*Data source: UCIM internal reporting.*

# Summary

# Reliable Annual Distributions

Financial Year 2024-25 Distribution £172.7m



Data source: UCIM Internal Reporting, Annual Report and Accounts

# Summary

- Since 2020, the CUEF has been reconfigured to create a diversified and well-positioned portfolio, which has delivered strong absolute and relative performance over the past five years
- In FY 2024-25, the CUEF has demonstrated resilience in a year of substantial market volatility
- The UCIM team is focused on optimising performance and delivering the CUEF's investment objective over the long term
- The organisation and portfolio are completely aligned with the University's sustainability objectives
- UCIM is committed to ongoing enhancements in transparency for investors



UNIVERSITY OF  
CAMBRIDGE

---

Investment Management

Q&A

# Appendices

# Robust Governance Structure Provides Oversight and Represents Interests of CUEF Investors

## **Cambridge University Endowment Trustee Body ("CUETB")** *(represents the University as trustee of CUEF and sole shareholder of UCIM)*

- Fiduciary duties to all CUEF investors
- Three members appointed by University Council; two members appointed by CUEF investors; one independent member appointed by CUETB
- Oversees and consults with the Investment Advisory Board and UCIM

## **UCIM Board**

- Governing body responsible for oversight, compliance and risk management of UCIM
- Sub-committees: Remuneration and Nominations; Valuation; Audit, Risk, Compliance and Controls
- Reports to CUETB

## **Investment Advisory Board**

- Committee constituted by the CUETB
- Chair and minimum of 5 independent members
- Consults with CUETB and UCIM on investment strategy and portfolio management

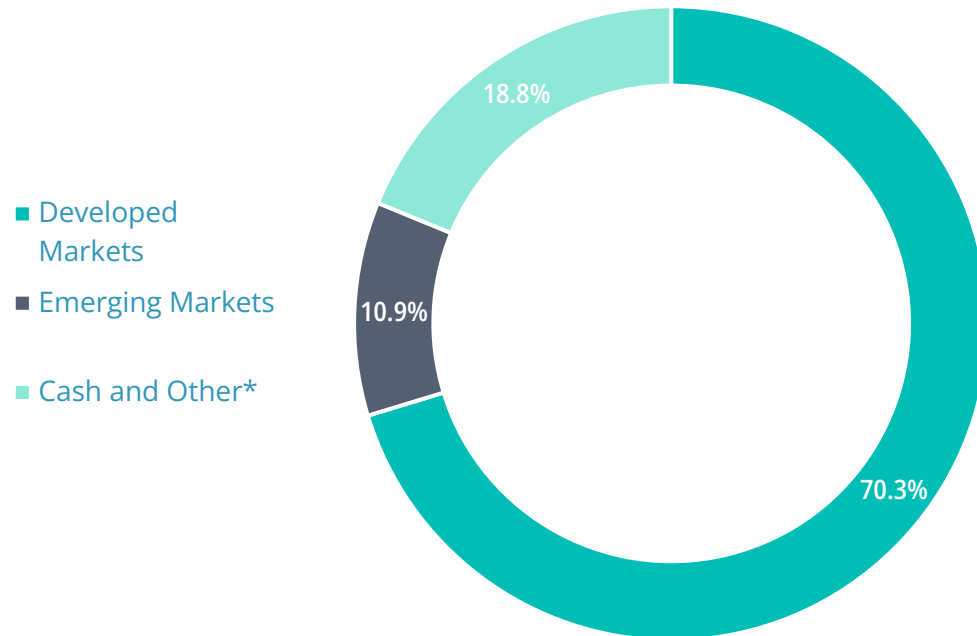
## **University of Cambridge Investment Management ("UCIM")**

- Investment Manager of the CUEF
- Reports to CUEF Investors
- Authorised and regulated by the Financial Conduct Authority

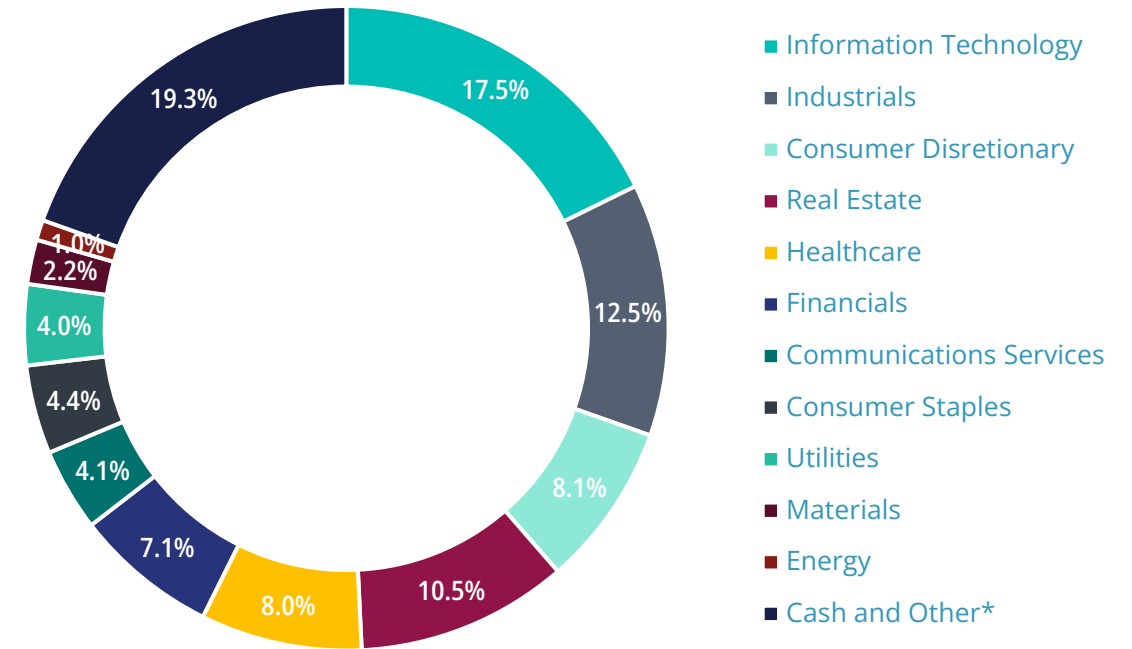
## **Cambridge University Endowment Fund ("CUEF")**

# Portfolio Composition (30<sup>th</sup> June 2025)

## Geographic Exposure



## Sector Exposure



**Source:** UCIM internal reporting. Cash and Other includes non-directional exposure via Hedge Funds.



# Important Information and Confidentiality

**The information in this presentation is for communication at the Annual Presentation to CUEF Investors on Tuesday 5th November 2024.**

This information is issued on a confidential basis by University of Cambridge Investment Management Limited (“UCIM”) as the investment manager to Cambridge University Endowment Fund for information purposes only and should not be copied or distributed without the consent of UCIM.

All reasonable care has been taken in the preparation of this information. No responsibility can be accepted under any circumstances for errors of fact or omission. Some of the information in this document may contain projections or other forward- looking statements. These statements are only predictions as of the date of this presentation which could change without notice and actual events or results may differ. Nothing herein should be construed as investment advice to buy or sell any securities.

Past performance is not a guide to future results. The value of an investment and any income from it can go down as well as up and investors may not get back the original amount invested.

The use of any data of Bloomberg, MSCI, LSE Group (FTSE), Cambridge Associates, or their affiliates (herein referred to as “index providers”) and the use of relevant index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of UCIM or CUEF by these index providers. The data is believed to come from reliable sources, but no index provider guarantees the timeliness, accurateness or completeness of any data or information relating to the indices referenced and neither is liable in any way to UCIM, CUEF or other third parties with respect to the use or accuracy of the indices or any data included therein. For MSCI related information, please refer to [MSCI’s Standard Notice & Disclaimer](#).

University of Cambridge Investment Management Limited is authorised and regulated by the Financial Conduct Authority with reference number 515843.

# UCIM Information Technology Migration

