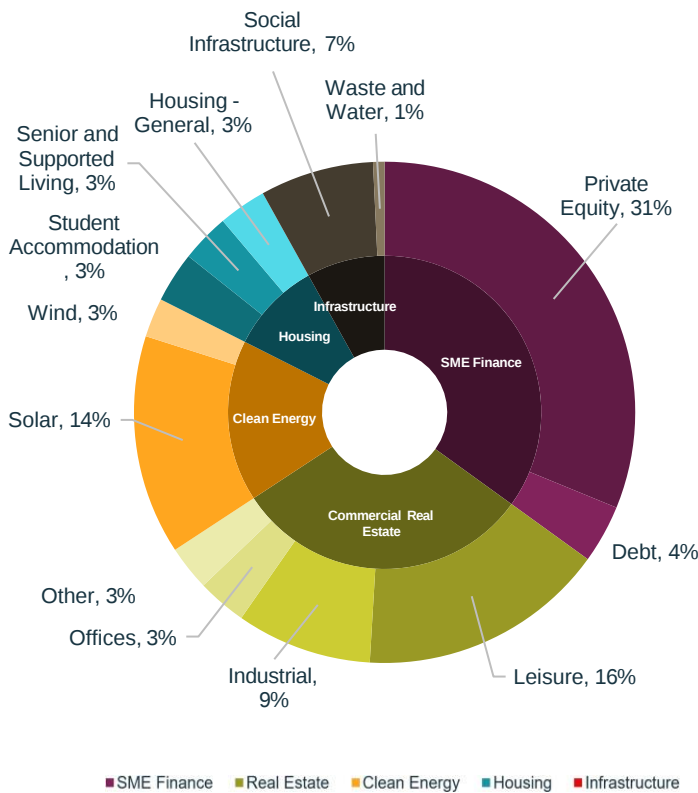


Clwyd Pension Fund have committed to making place-based investments. These are funds that invest in Wales or contribute to creating positive social and environmental impacts across the UK.

- £217 million committed to place-based investments (8.7% of Clwyd Pension Fund value)
- £60 million has been committed to funds investing exclusively in Wales
- £115.5 million is currently invested in 204 assets across the UK
- Of this, £27 million is invested in 24 assets across Wales
- In the last year £19.7 million has been invested in Wales and a further £16 million in the rest of the UK

How We Invest (% of amount invested)



How Our Investment is Supporting Wales and the UK



- **73** businesses are currently supported through equity or debt finance, **20** are in Wales. **10** new businesses have received support in the past year.
- These businesses account for over **15,280 jobs** with **8%** of jobs in Wales.
- At least **1,380 new jobs** created since investment with **11%** in Welsh businesses.
- **15** businesses are accredited Living Wage Employers or pay all employees the Real Living Wage, up from 12 businesses last year.



- **20 housing** assets including:
- **8** housing developments consisting of **2,540** homes for over **6,300** people. **26%** of homes are Affordable. **174** homes invested in the past year.
- **8** supported and senior living homes for up to **338** residents.
- **4** developments providing accommodation for almost **1,700** students.



- **39 infrastructure** assets including:
- **35** educational facilities acquired, including **2** SEN schools in the past year, **2,804** additional child spaces created (79% nursery spaces, 16% SEN, 5% independent school places)
- **3** health facilities and 1 water and waste facility



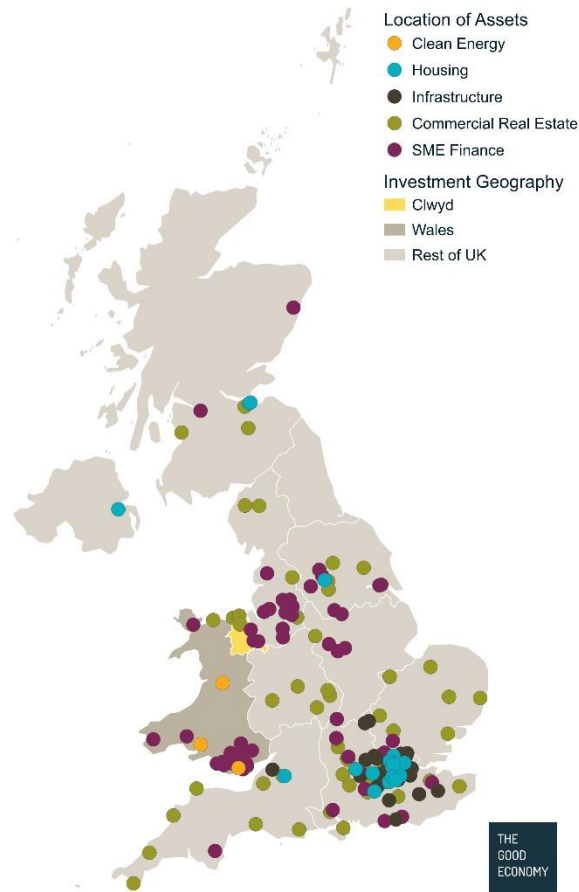
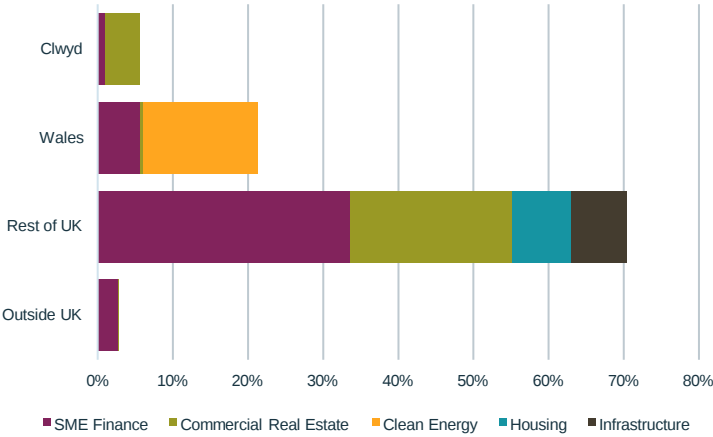
- **67** real estate projects (in development or operational) of which **6** new investments in the past year. Including:
- **36** commercial real estate project supporting employment space for an estimated **7,440** people (28% in the most deprived local authorities in the UK).
- **31** leisure based real estate assets supporting **662** permanent and **109** seasonal Real Living Wage jobs, **16%** of Leisure based assets in Clwyd.



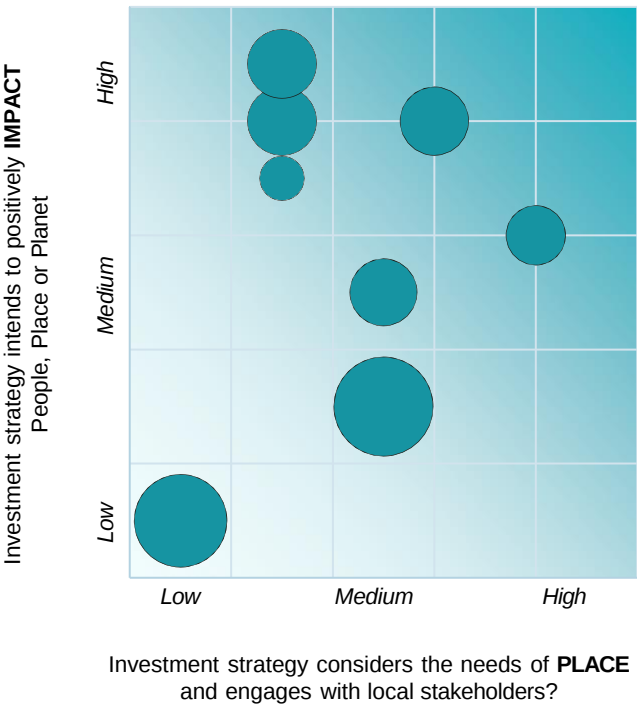
- **£42.7 million** committed to the development of clean energy projects in Wales. See case study.

Where We Invest (% of amount invested)

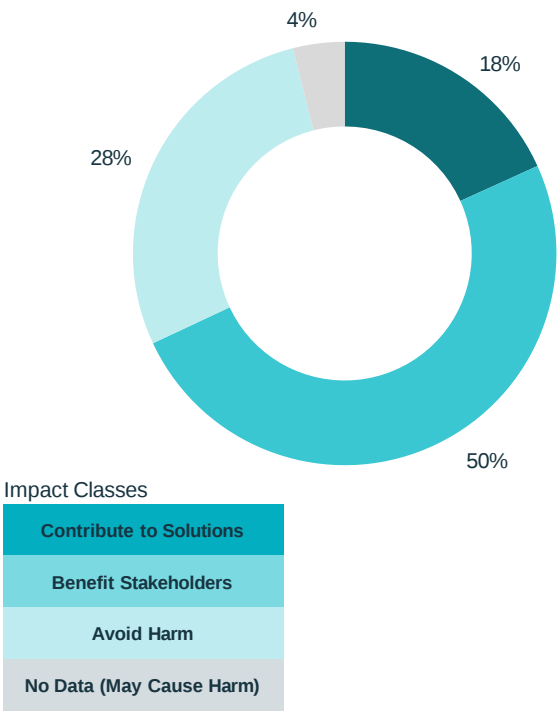
27% of Clwyd’s Impact and Place-Based portfolio is been invested in Wales



How Our Investments Align With the Traits of Place-Based Impact Investing



Our Type of Impact (% of amount invested)



Based on The ABC of Impact, Impact Frontiers

Case Study: Supporting Wales’s Commitment to Net Zero

Capital Dynamics CEI (Clwyd) LP

Assets Under Management (AUM)	£50 million, of which £42.7 million has been committed to three projects
Clwyd Pension Fund contribution	100%
Target financial return	10%+ net IRR
Impact Objective	Contribute to climate change mitigation by directly investing into low-carbon renewable energy projects in Wales.

In summer 2022, Capital Dynamics entered a partnership with Clwyd Pension Fund to deliver clean energy infrastructure in Wales. The partnership allows Clwyd to invest directly into renewable energy opportunities and contribute to the Welsh government’s commitment to net zero and energy transition targets, in alignment with the Welsh Government’s National Development Framework. Clwyd approached Capital Dynamics to partner with, drawing on their relationship of over 25 years and Capital Dynamic’s experience in the clean energy sector. £50 million has been allocated by Clwyd to invest in four to five renewable energy projects across the development spectrum, from early-stage development through to operating assets. To date, £42.7 million has been committed to three projects, of which £19.3 million has been invested.

Home Farm

Sector: Solar PV
Stage: Operational
Investment commitment: £4.7million, of which 98% has been invested

Clwyd wholly acquired Home Farm which is a 3MW Solar Farm located west of Cardiff in South Wales. It has been operating and generating an income since 2017 and is coupled with a biodiversity site.



Brynryhyd

Sector: Solar PV
Stage: Construction
Investment commitment: £28million, of which 42% has been invested

Brynryhyd is a 30MW Solar site in Pontarddulais, southwest Wales. Clwyd’s investment is being used to wholly acquire the project and construct the solar farm. The solar farm is estimated to generate sufficient electricity to power approximately 10,000 homes per year, contribute £3.5 million in gross value added to the economy, and not require government subsidy. 35 jobs will be supported during construction phase. Capital Dynamics has committed to provide a Community Benefit Fund of £53,000 which is intended to financially support local initiatives such as training and education programmes, improvement of physical environments habitats, community facilities and energy efficiency infrastructure, or subsidise community power bills.

Bute

Sector: Onshore wind
Stage: Early-stage development
Investment commitment: £10million, of which 29% has been invested

Bute Energy is a Welsh onshore wind and solar energy park developer with a mission is “to create renewable energy projects that build a healthier, wealthier Wales”. The project is estimated to produce sufficient electricity to power approximately 553,112 homes annually. Clwyd’s investment is in the form of a loan, which is expected to fund the development of 16 sites across Wales. The investment was made in partnership with Wales Pensions Partnership’s Clean Energy Fund (CEI WPP), also managed by Capital Dynamics, meaning Clwyd is co-investing with six other Welsh Pension Funds. It is expected 200 jobs will be supported during construction phase. Capital Dynamics intends to fund £7,500 per MW of operational wind and £1,000 per MW of operational solar projects from the Bute Portfolio into Community Benefit Funds.

Clwyd Pension Fund’s Impact and Place-Based Portfolio

Name of Fund Manager	Name of Fund	Clwyd Pension Fund Commitment (£)	Clwyd Share (% of total commitment)	Clwyd Pension Fund Portfolio	Reported: PBII Traits	Reported: Outputs	Reported: IMP Classification
August Equity	AEP IV A LP	£8,000,000	3.6%	Private Equity	●	●	●
August Equity	AEP V A LP	£8,000,000	2.6%	Private Equity	●	●	●
Bridges Fund Management Limited	Bridges Property Alternatives Fund V LP (BPAF V)	£11,000,000	3.2%	Impact	●	●	●
Bridges Fund Management Limited	Bridges Sustainable Growth Fund III LP (SGF III)	£5,000,000	4.0%	Impact	●	●	●
Bridges Fund Management Limited	Bridges Property Alternatives Fund III LP (BPAF III)	£5,000,000	2.4%	Impact	●	●	●
Bridges Fund Management Limited	Bridges Property Alternatives Fund IV LP (BPAF IV)	£8,000,000	3.6%	Impact	●	●	●
Bridges Fund Management Limited	Bridges Sustainable Growth Fund IV(B) LP (SGF IV(B))	£11,000,000	19.3%	Impact	●	●	●
Bridges Fund Management Limited	Bridges Sustainable Growth FundIV LP (SGF IV)	£8,000,000	9.9%	Impact	●	●	●
Capital Dynamics Ltd.	Capital Dynamics CEI (Clwyd), LP	£50,000,000	100.0%	Impact	●	●	●
Darwin Alternative Investment Management	Darwin Leisure Property Fund	£10,000,000	4.4%	Property	●	●	●
Darwin Alternative Investment Management	Darwin Leisure Development Fund	£8,000,000	3.8%	Property	●	●	●
ECI Management Limited	ECI 11 LP	£8,000,000	1.0%	Private Equity	●	●	●
ECI Management Limited	ECI 12 LP	£20,000,000	1.1%	Private Equity	●	●	●
Foresight Group LLP	Foresight Regional Investment III LP	£12,000,000	14.2%	Impact	●	●	●
Foresight Group LLP	Foresight Regional Investment LP	£12,000,000	20.7%	Impact	●	●	●
Fw Capital Limited	Management Succession (Wales) Limited Partnership	£10,000,000	40.0%	Impact	●	●	●
Newcore Capital	Newcore Strategic Situations IV LP	£8,000,000	9.5%	Property	●	●	●
Newcore Capital	Newcore Strategic Situations V LP	£15,000,000	8.0%	Property	●	●	●

Key

Reported: PBII Traits	Reported: Outputs	Reported: IMP Classification	
Indicates whether Fund manager self-assessed and reported on alignment with PBII traits (meet local needs, stakeholder engagement, intentionality, impact management) for each Fund.	Indicates whether Fund manager reported output metrics for at least one Fund.	Indicates whether Fund manager self-assessed and reported on TGE's adoption of the Impact Management Project's (IMP) ABC Framework, which classifies the impact of assets.	● Information not reported ● Partial or complete reporting

Clwyd Pension Fund and The Good Economy would like to thank all investment managers who participated in the PBII Reporting Framework.