

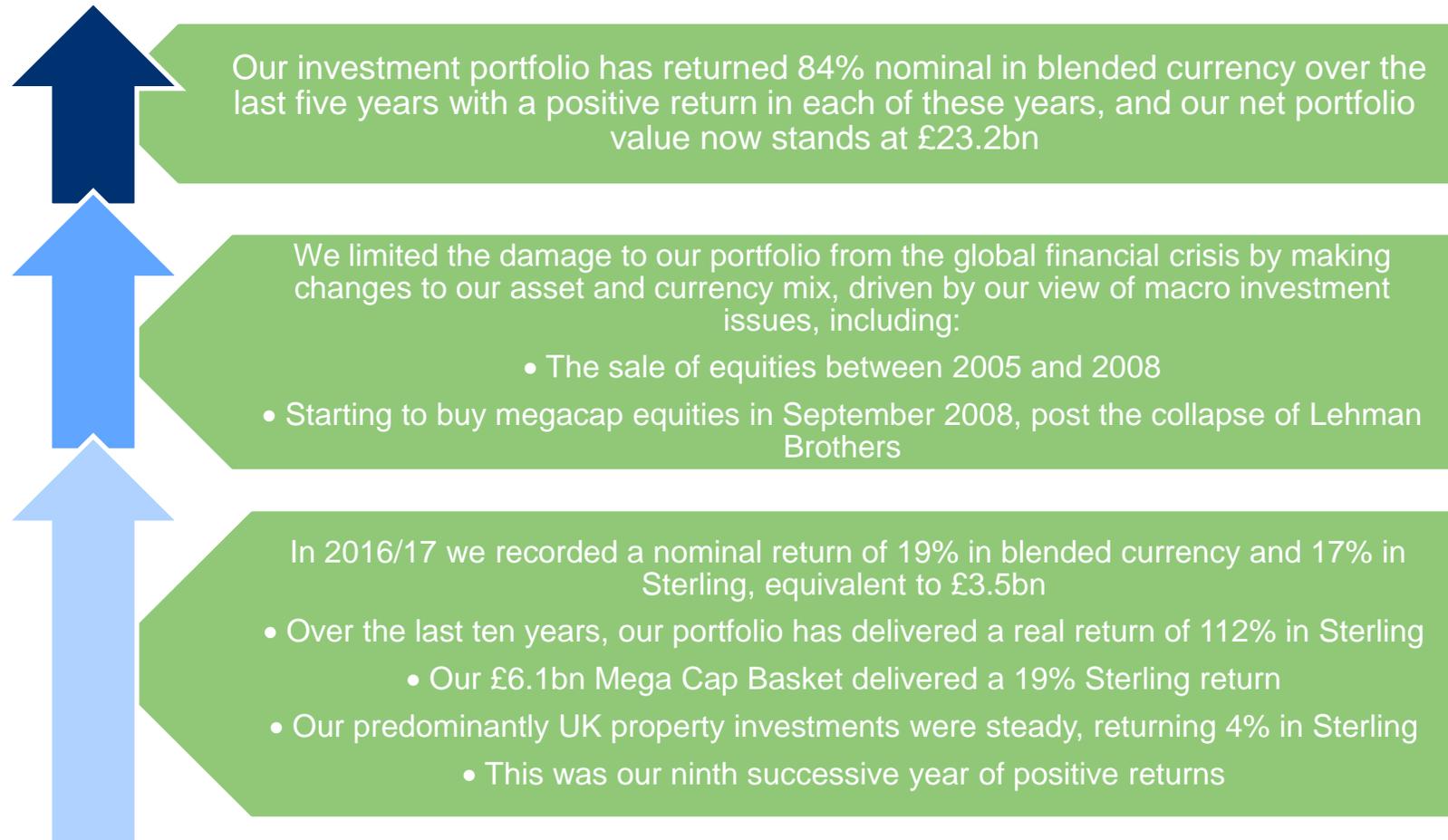


Wellcome Trust Update Presentation

12th December 2017

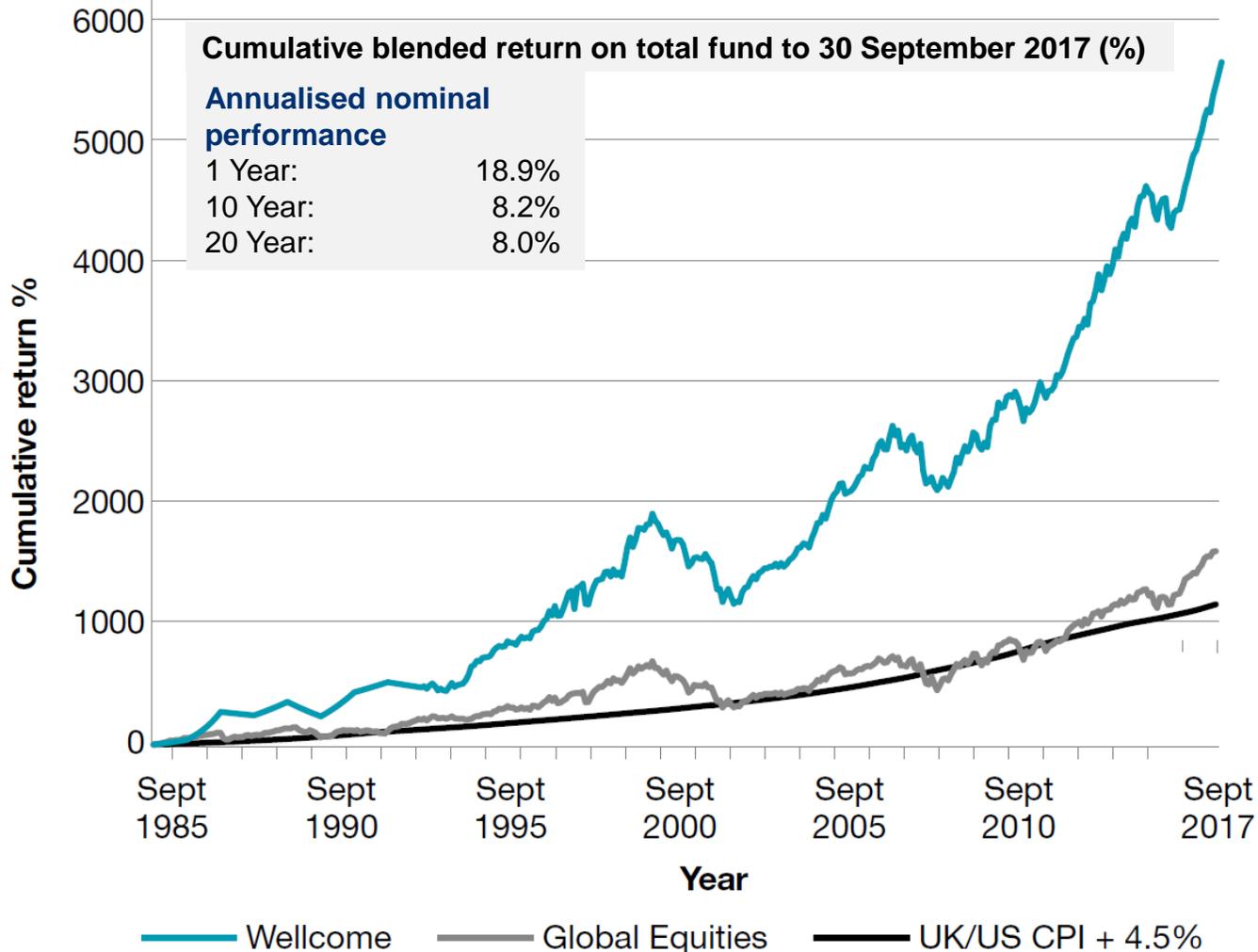
Our investment portfolio

Our portfolio continues to perform...



Note: Return calculations based on relevant currency; see Wellcome Trust Annual Report.
Source: Wellcome Trust Annual Report.

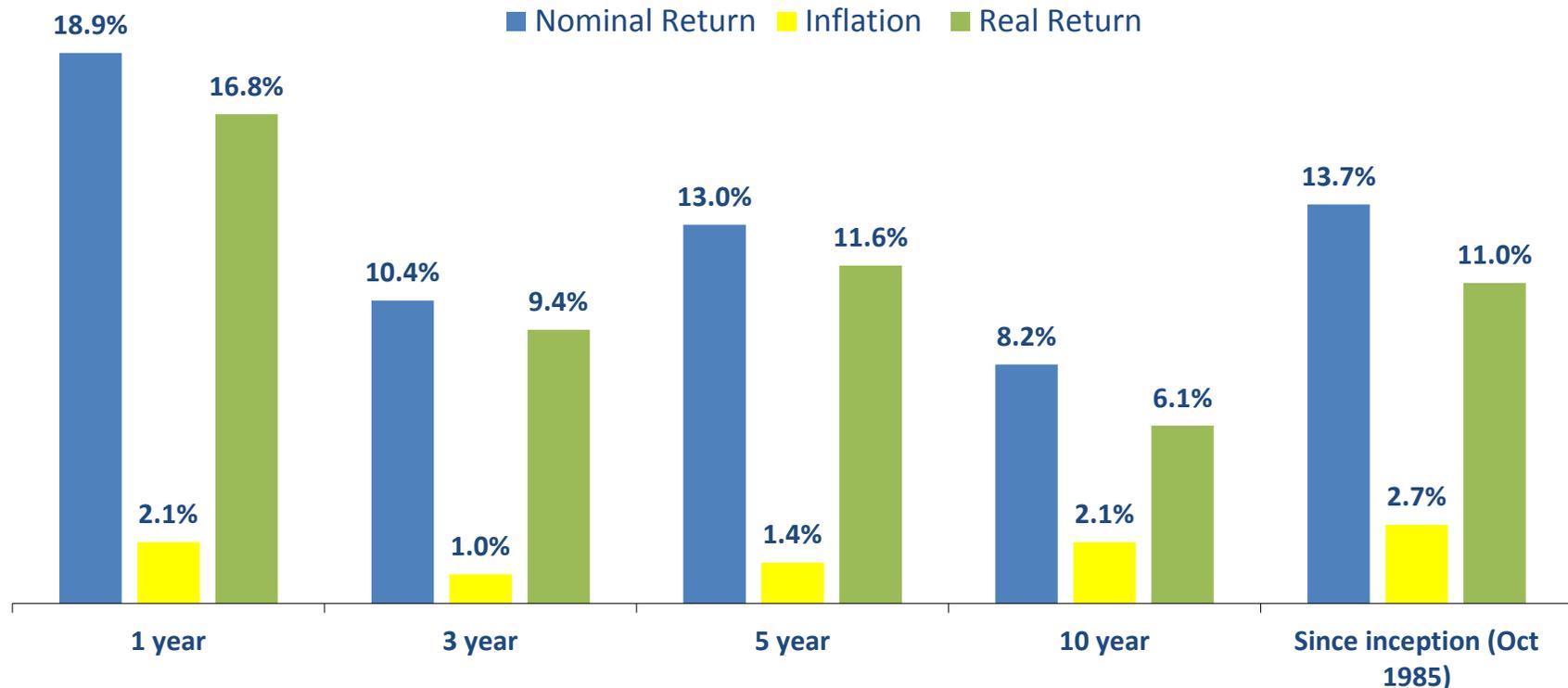
...and long term returns are impressive...



Note: Wellcome Trust performance is measured in £ until 30 September 2009 and 50% £ and 50% \$ thereafter. Inflation defined as UK CPI until 30 September 2009 and a blend of 50% UK and 50% US CPI thereafter. Source: Wellcome Trust Annual Report.

...increasing our purchasing power

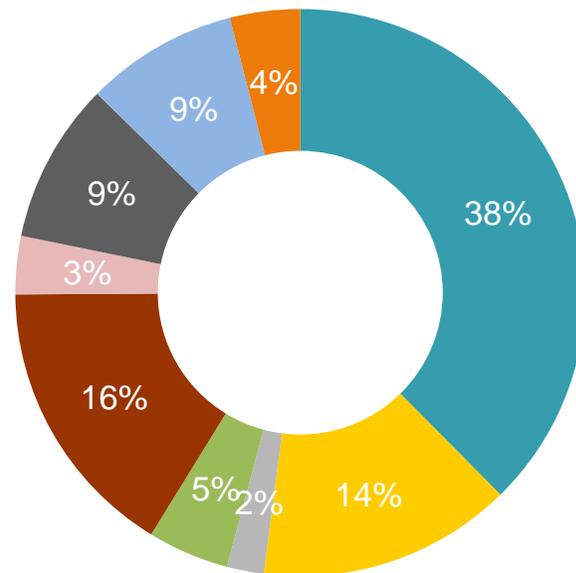
Annualised blended returns,
as at 30 September 2017



Note: Wellcome Trust performance is measured in £ until 30 September 2009 and 50% £ and 50% \$ thereafter. Inflation defined as UK CPI until 30 September 2009 and a blend of 50% UK and 50% US CPI thereafter. Source: Wellcome Trust Annual Report.

Our portfolio is diversified by asset class...

- Public Equity - Direct
- Public Equity - Indirect
- Listed equity and commodity derivatives
- Private equity
- Venture, specialist buyout and MAPs
- Direct private
- Hedge funds
- Property
- Cash

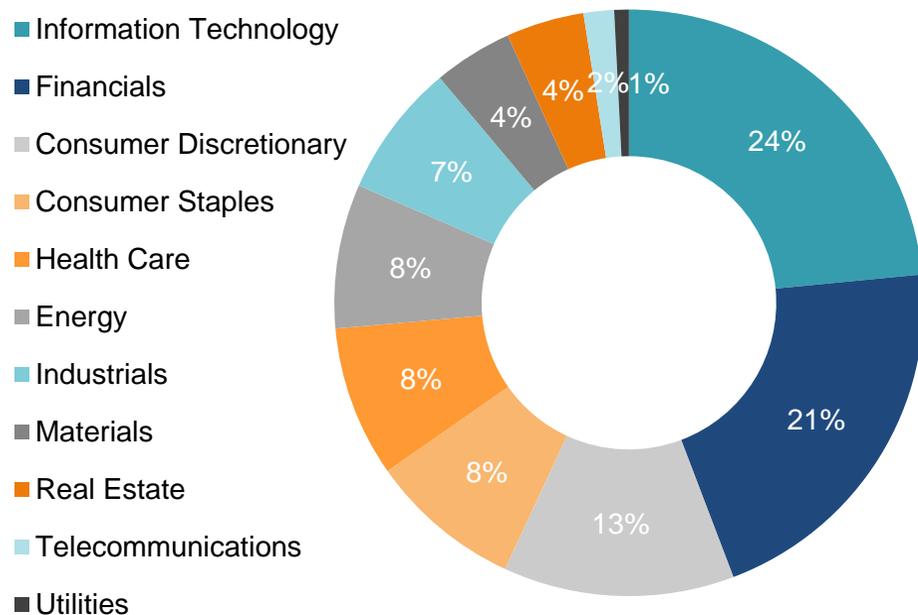


- Diversification both across and within asset classes
- In addition to cash equities, we express market views using:
 - Currency forwards and options
 - Equity index futures
 - Exchange traded individual equity options
 - Exchange traded commodity derivatives

Our portfolio is well positioned to manage and exploit future volatility in capital markets

Note: Excludes foreign exchange overlays.
Source: Wellcome Trust Annual Report.

...and by sector



- Our two largest sector exposures are to information technology and financials, which in part reflects their large index weightings but also a view that their prospects remain robust, especially in the US
- Our consumer discretionary interests are broad, but have a clear tilt towards China, India and other developing markets
- Our previously contrarian bias towards financials was well rewarded in late 2016 and early 2017, as many of these names rallied hard on the back of the US election result and improving macroeconomic fundamentals

While we have the flexibility to express sector views, our portfolio remains well diversified

Note: Public and private equity assets as at September 2017.
Source: Wellcome Trust Annual Report.

We manage a significant portion directly...



Our Mega Cap Basket contains our direct shareholdings in a diverse subset of the world's largest companies. We hold these stocks with a long term view, leading to very low turnover

...including our overlay strategy

Our overlay capital management is integrated with our underlying portfolio management

Views are driven by fundamental economic and financial considerations, and are held for much longer than is typical in the market

We issue long-term fixed-rate debt which provides some inflation protection at the margin and creates the expectation of long-term return enhancement

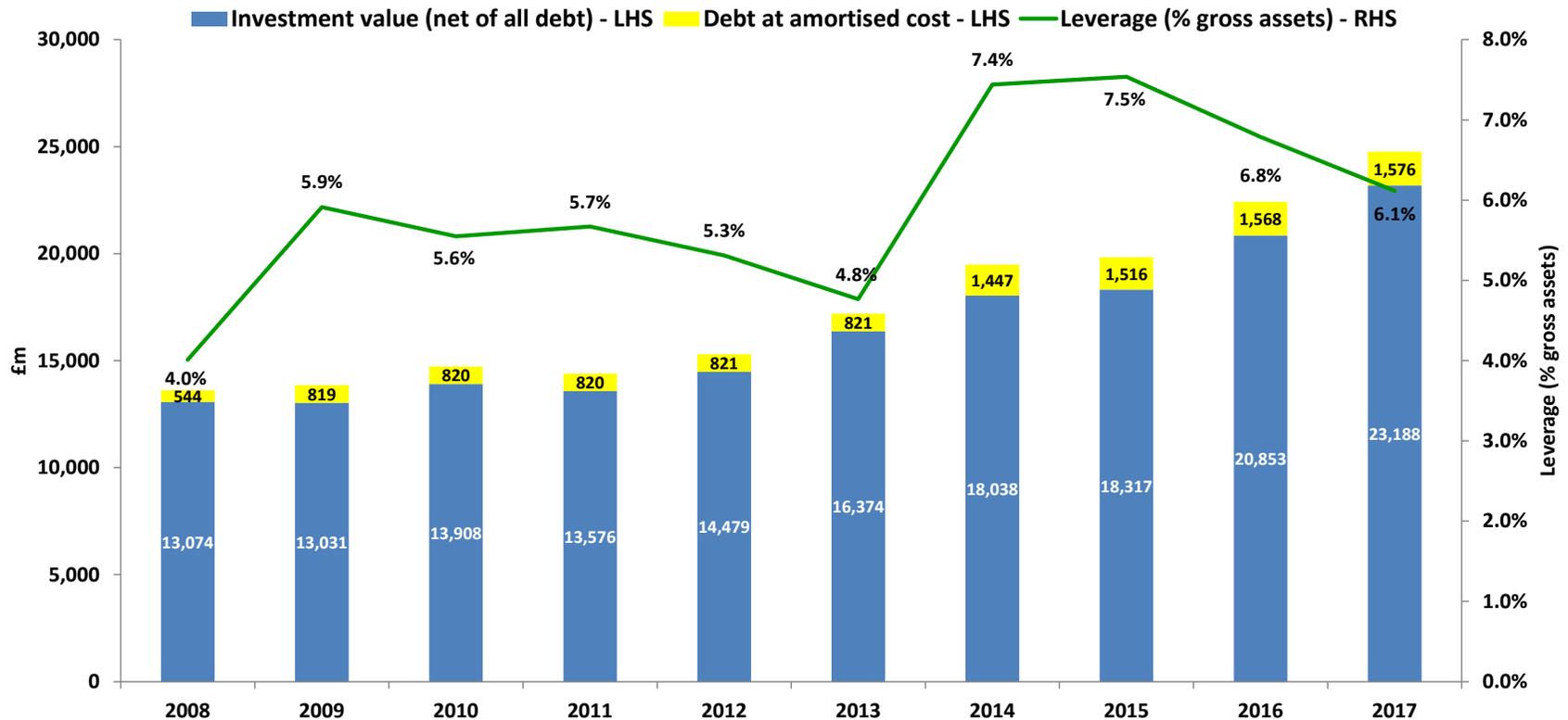
Foreign exchange management is carried out at the portfolio level, reflecting our views in the context of known exposures from underlying assets

- We target a minimum 15% exposure to Sterling, which was changed in April 2017 from 25% to reduce our requirement for long Sterling forward positions. In addition, the minimum 25% exposure to US Dollars was removed.

We use equity index options and futures to manage equity beta exposure

We use single stock options to enhance returns and add to our directly owned stocks more cheaply

Our portfolio has been resilient through the cycle



We maintain a cautious attitude to debt, with strong performance driving recent deleveraging

We maintain a conservative approach to debt

The size of our portfolio has increased materially since we issued our first bond in 2006, giving us greater scale

We have diversified our asset base over time

The crisis demonstrated our ability to weather difficult market conditions with low volatility

Our increasing focus on cash flow, coupled with the low interest rate environment, ensures that our debt servicing capacity remains high

Our debt maturities are spaced so there are no refinancing “cliffs”

Recent management changes

We recently amended our management structure, with Danny Truell (formerly CIO, more recently Managing Partner) becoming an Emeritus Partner, a newly created, non-executive role

Nick Moakes and Peter Pereira Gray remain Managing Partners, but have also taken on the roles of Chief Investment Officer and Chief Executive Officer of Investments, respectively

We also announced three internal promotions, all from Investment Analyst to Investment Manager

This reflects a continuation of our strategy of hiring good people at junior levels and promoting them through the organisation; six of our seven Team Heads and Principals joined as Analysts, although we are not averse to hiring excellence at a senior level

Our senior team remains solid...

Nick Moakes, CFA
Managing Partner
CIO



Nick Moakes is a Managing Partner and the Chief Investment Officer of the Investment Division of The Wellcome Trust. He sits on both the Executive Leadership Team and the Investment Committee.

Nick joined the Trust in 2007 from BlackRock Investment Management where he was Head of the Asia Pacific investment team and Co-Head of Emerging Markets. He graduated with a first class honours degree in Modern History and Economics from Balliol College, Oxford and is a CFA Charterholder.

Nick is Chairman of the Imperial College Endowment and is a Board Member for the Foreign & Colonial Investment Trust and the UK Investor Forum. He is a member of both the Marks & Spencer Sustainable Retail Advisory Board and the Finance Committee for the Royal Commission for the Exhibition of 1851.

Peter J Pereira Gray, FRICS
Managing Partner
CEO



Peter Pereira Gray is a Managing Partner and the Chief Executive Officer of the Investment Division of The Wellcome Trust. He sits on both the Executive Leadership Team and the Investment Committee.

Peter is the Chairman of the farming & land management business, Farmcare Ltd, and the UK Marina, Boatyard and Boat Storage business Premier Marinas Ltd. Peter is also a Main Board Director of iQ Group, a student housing joint venture with Goldman Sachs and sits on the advisory board of Stanford University's Global Projects Centre.

Peter is a Life Member and past Chairman of the Investment Property Forum, and a past founding and advisory board member and member of the Management Board of INREV. He is a member of both the Bank of England Commercial and Residential Property Forums, and a Fellow of the Royal Institution of Chartered Surveyors. Peter is an honorary vice president of Cambridge University Land Society and a Life Fellow of the Royal Society of Arts. He is an Advisory Board member and Honorary Fellow of the Institute of Continuing Professional Development.

Danny Truell
Emeritus Partner



Danny Truell serves in a diverse range of roles in the investment and charitable community. He is an Emeritus Partner of The Wellcome Trust and sits on the Investment Committee.

Danny is a co-founder and Chair of the Asset/Liability Operating Committee of Pension Insurance Corporation, an insurer with assets exceeding £20 billion (\$25 billion). Danny is a World Economic Forum Global Agenda Trustee for Long Term Investing, Infrastructure and Development and has been a co-Chair of the G20/B20 Investment Group. He was, from 2012-14, Chair of the World Economic Forum's Long-Term Investment Council.

He is Chair of the charity Debate Mate and a member of the Investment Committee of the Wellington College Endowment.

Until 2005, he was a Managing Director of Goldman Sachs & Co. in its investment management division. Between 1986 and 1996, his career was focused on investment in Asia. He is a graduate of Balliol College, Oxford University.

Sarah Fromson, MBA
Head of Risk



Sarah Fromson is Head of Risk at The Wellcome Trust and sits on the Investment Committee. She is a non-executive director of the JPM Emerging Markets Income investment trust. She is a Trustee on the Wellcome Trust and GRL pension plans and sits on the Investment Committee of Girton College.

Prior to joining the Trust in 2008, she was Chief Investment Risk Officer at RBS Asset Management from 2006, after co-leading the long-only and hedge fund manager selection team at RBS (formerly Coutts) from 1996. Sarah graduated from LBS with an MBA and has an MA in Natural Sciences from Cambridge University.

Our senior team is highly experienced and all sit on the Investment Committee. In addition, Peter and Nick are both on the Executive Leadership Team.

...supported by an experienced management team

Robert Coke
Head of Absolute Return and Buyout



Robert is Head of Absolute Return and Buyout. His team covers the Trust's investments in private equity and various hedge fund strategies including credit and arbitrage. He is also involved in emerging markets and industrial sector investments across the portfolio. Robert joined the Trust in 1999 having trained in emerging markets fund management. Robert sits on the board of the Downside Fisher Youth Club.

Geoffrey Love
Head of Venture Capital & Equity Long/Short Investments



Geoff is Head of Venture Capital and Equity Long/Short. Geoff has been at Wellcome since 1998, and is responsible for the Trust's investments in Equity Long/Short Hedge Funds and Venture Capital Funds, as well as a number of direct stakes in private and public companies. Geoff sits on the Marie Curie Investment Committee.

Lisha Patel, CFA
Head of Direct Private Investments



Lisha is Head of Direct Private Investments, having joined Wellcome in 2006. The Direct Private portfolio backs a range of companies from technology and ecommerce businesses to energy and financial services firms. Lisha also covers public and private investments in the resources sector across the portfolio and has a keen interest in faster growing markets. Prior to Wellcome, she worked at Lazard in the corporate finance practice. Lisha read Economics & Management at the University of Oxford.

Elaina Elzinga, CFA
Principal, Private Markets



Elaina joined Wellcome in 2010, and has worked across a range of private market investments including PE and hedge fund relationships, before focusing more recently on directly held investments. Elaina has particular experience in the natural resources sector, having grown the portfolio's public and private equity investments in this space. Prior to joining Wellcome, Elaina worked at Goldman Sachs. Elaina read History at the University of Cambridge. She currently sits on the Investment Committee for Newnham College, Cambridge and as a Trustee of the Wellcome Trust Pension Plan.

Catherine Fraser
Principal, Public Markets



Catherine focuses on the overlay of the investment portfolio, managing the currency overlay and the equity options overlay. She also manages the team responsible for all direct public market execution. Catherine has a Masters in Chemistry from Oxford University and worked at Lehman Brothers prior to joining Wellcome in 2008.

Ollie Hawkins
Principal, Public Markets



Ollie joined the Trust in 2014 to manage the commodities basket. He began his career as a consultant at Bain & Company, before leaving to help found Partners Capital, an investment advisory firm. After Partners Capital, Ollie worked at Rubicon Asset Management, supporting the launch of their commodities business. Following Rubicon, he established Hawker Capital, a commodities investment firm where he was a Founding Partner and CIO of commodity investment. Ollie read Chemistry at Oxford.

Fabian Thehos, CFA
Principal, Public Markets



Fabian is a Principal in the Public Markets team, where he focuses on overseeing the Trust's internally and externally managed equity holdings. He joined Wellcome in 2006 and has worked across multiple asset classes including long/short equity hedge funds, venture capital funds and direct private investments. Prior to joining the Trust, Fabian worked at Societe Generale in Paris. He holds an MA in finance and economics from the University of Mannheim, Germany, and an MBA from ESSEC Business School, Paris.

Our Investment team is stable and experienced, with significant collective corporate memory

We are supported by robust governance

Dame Kay Davies recently announced her retirement from our Board of Governors and Investment Committee, effective 1st January 2018, while Professor Fiona Powrie will join our Board of Governors on the same day

Our Board of Governors comprises a mix of individuals with a wide variety of backgrounds including investment, science, business and public life

- This breadth of skills and experience enables effective decision making and supports appropriate delegation across all of our activities

Our Investment Committee provides advice and strategic input on the management of our investment portfolio

- The Committee is comprised of both internal and external members, the majority of whom have distinguished careers in the financial services industry
- Professor Mike Ferguson will join the Investment Committee as Deputy Chair on 1st January 2018, replacing Dame Kay Davies

We maintain an Investment Policy, which describes return expectations and the relationship between risk, return and charitable spend, in addition to:

- The roles and responsibilities of the Board of Governors and Investment Committee in overseeing the investment portfolio
- The authorities delegated to the Managing Partners

The Investment Policy is regularly reviewed by the Investment Committee and authorised by the Board of Governors, including with respect to asset allocation

Conclusion



- Our portfolio continues to make steady gains and performance (net of all fees and costs) stands at record levels



- Our experienced Investment Executive and Investment Committee remain stable



- The quality of the assets we own is high



- Those assets continue to contribute towards a cash flow profile that is strong and expected to continue to grow



- We continue to maintain our financial discipline and our outstanding debt remains low

Spending policy

Our charitable spending policy

Our Focus

- Maintaining the real purchasing power of our charitable funding over time
- Ensuring our long term financial position is secure and our spending levels are sustainable, including preserving the value of the investment base

- From 2017/18 we have adopted a new approach to how we fund our charitable activities
- We plan a funding level, on average, for our core research and other activities we deliver today through Science, Culture & Society, and Innovations, of around £900m p.a. in real terms over a five year period
- In addition, we plan to provide further funding to support our Priority areas and potentially other large-scale and high impact activities; we have currently identified total funding of £865m over the next five years, and we will add to this only when the performance of the investment portfolio is sufficiently strong
- Our Board of Governors regularly monitors our future spending plans