

# The CBF Church of England Investment Fund

Accumulation shares (ISIN)	<b>GB0001592145</b>
Income shares (ISIN)	<b>GB0001830420</b>
Name of manufacturer	<b>CCLA Investment Management Limited</b>

## Purpose

This document explains The CBF Church of England Investment Fund's (the fund) approach to sustainability. It is not marketing material.

This document is the consumer-facing disclosure document required under FCA rules.

## Sustainable investment label

This product does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The fund does not use a sustainable investment label because it does not have a sustainability goal.

## Sustainability approach (including faith-consistent investment policy)

The fund is managed in line with a faith-consistent investment policy, developed by CCLA, to meet shareholders' desire to invest in a way that reflects Christian and Anglican teachings and is grounded in the advice produced by the Church of England's Ethical Investment Advisory Group. This supplements CCLA's standard 'Act, Assess, Align' approach that applies to the listed equities held in the fund. Other assets are managed in line with the 'Align' approach which includes a combination of restrictions applied to meet the fund's faith-consistent investment policy and to be in common with CCLA's wider approach, as set out in the values-based investment restrictions. The 'Act, Assess, Align' approach includes:

- acting as an agent for 'change', because investment markets can only ever be as healthy as the environment and communities that support them
- assessing the environmental, social, and governance standards of listed equities with the aim of avoiding investment in companies that are deemed by CCLA as having an unacceptable social or environmental impact and supporting the financial returns of the fund
- investing in a way that we believe is aligned with the values of our clients.

As such, companies and any other assets that meet the restrictions-based criteria are excluded from investment by the fund. The restrictions that apply to the fund are set out in the scheme information.

These restrictions are applied in accordance with [Our values-based screening policy](#) (which also sets out how we consider the eligibility of third-party managed funds) and are implemented based upon data-points selected by CCLA.

In addition, the fund is managed in line with CCLA's goal to achieve net-zero emission listed equity portfolios no later than 2050. See the [climate action section on our website](#) for our approach to net-zero listed equity portfolios.

## Approach to driving social and environmental change

The fund aims to act as an agent for change because we believe investment markets can only ever be as healthy as the environment and communities that support them. We do this by:

- using our ownership rights to improve the sustainability of the assets in which we invest
- bringing investors together to address systemic risks that have not received the attention that they require
- seeking to be a catalyst for change in the investment industry.

Our work to drive change is currently organised into three priority areas:

- **Better environment:** where we are working to accelerate the transition to a net-zero emissions economy and address concerns regarding biodiversity loss.
- **Better work:** where we are working to address modern slavery and wider concerns regarding human rights, poor labour standards and the living wage.
- **Better health:** which includes working with companies to push for better standards to protect the mental health of employees and push for improvements in the nutritional standards of products.

In the management of the fund, CCLA may supplement these engagement themes with additional work to address specific issues prioritised to align with shareholders' desire to reflect Christian, and specifically Anglican, teachings. These additional issues would then be part of the faith-consistent investment policy. Any additional issues will be disclosed to shareholders through CCLA's website.

This work only applies to the listed equity component of the fund and CCLA may change or add to these areas of focus. Further detail about our engagement priorities and the outcomes that have been achieved are available in our [Sustainable Investment Outcomes report](#).

## Sustainability metrics

### Act

During the 12 months to the end of June 2025, CCLA engaged with 88% (76 out of 86) of the listed equities held in the fund.

Engagement is split across our three engagement themes: health, work and environment. We set out below two engagement case studies for each. Please note case studies are selected for illustrative purposes and are intended to give a balanced picture of our engagement, both positive and negative.

A new approach to engagement tracking and reporting was introduced on 1 July 2025. We will report on effectiveness of engagement with holdings in the fund against this new approach at the next reporting period.

### Health

Engaging for better public health is a key priority in our stewardship work. Our health stewardship covers a range of themes, including mental health and nutrition.

#### Nestlé (nutrition)

Good nutrition is fundamental to good health, yet we are experiencing an epidemic of poor health due to the consumption of unhealthy products. Through engaging with food and beverage manufacturers on nutrition, we can play a role in improving public health. More than a billion servings of Nestlé products are consumed every day worldwide<sup>1</sup> making the company a key player in the fight against diet-related ill-health.

We have been engaging with Nestlé on nutrition since 2017. In 2025, we took the role of lead investor for the Access to Nutrition Initiative coalition and attended the company's AGM in Geneva. We asked the new CEO to prioritise this topic.

Since 2022, Nestlé has increased the age threshold from 13 to 16 for marketing unhealthy products; ceased infant formula marketing (0–6 months); and set a target on sales of healthier products. In 2025, it announced new commitments on nutrition disclosure. We will be visiting the company in October 2025 to work towards stronger targets on sales of healthier products.

<sup>1</sup> Source: Nestlé, 2025.

Meanwhile, CCLA continues to be a signatory to ShareAction's Healthy Markets Initiative, and to the Access to Nutrition Initiative. We engage with all major food and beverage manufacturers in our portfolio on this topic.

#### AstraZeneca (workplace mental health)

AstraZeneca is one of more than 100 companies in the CCLA Corporate Mental Health Benchmark – Global 100+. Despite engagement calls with the company in April 2024 and March 2025, and a letter to the company's CEO on behalf of a sizeable investor coalition annually, the company's performance has steadily deteriorated. Having scored 60% in its 2022 benchmark assessment, the company scored just 40% in 2024, representing the largest deterioration of any company in the mental health benchmark over this time period.

Engagement with the company will continue. In April 2025, we voted against the re-election of the CEO, Pascal Soriot, reflecting our level of concern over the company's record on workplace mental health.

### Work

Within the 'better work' pillar, we are principally concerned with the recognition and support for human and labour rights. Our focus is on modern slavery, broader human rights concerns and living wage.

#### Coca-Cola Co (forced labour)

In 2024, the New York Times uncovered exploitative abuse, forced labour and coerced hysterectomies in the Maharashtra sugar cane industry in India.

CCLA led engagement on Coca-Cola on behalf of an investor coalition engaging sugar buyers in the region. We asked the company to tackle this issue and ensure effective grievance mechanisms for affected workers.

Coca-Cola agreed to implement training for mill management and labour brokers to improve recruitment and labour conditions. It also advanced plans to establish the Coalition for Responsible Sugar in India (CRSI).

Meanwhile, we are engaging with the Independent Sugar Workers Association (ISWA) and brokered the first meeting between ISWA representatives and the global sugar buyers (Unilever, Nestle, Coca-Cola, Mondelez, PepsiCo). In June 2025, the New York Times reported that the international pressure may be working and there are signs of change in the sugar industry in India. We will continue to engage on this topic.

#### LVMH Moët Hennessy Louis Vuitton (Living Wage)

CCLA began engaging with LVMH on Living Wage in 2024 through the Platform for Living Wage Financials (PLWF). In the 2023–4 assessment, LVMH's approach was rated 'Embryonic'. LVMH faces significant challenges due to its decentralised structure, which comprises 75 brands or 'maisons' that all have significant autonomy. Therefore, although LVMH has a Living Wage commitment, it is unclear how they implement this policy across their maisons.

In December 2024, CCLA and the other members of the PLWF engagement group met with LVMH to push the company into strengthening their approach on Living Wage. Although they shared that one of their maisons, Louis Vuitton, is working with the Fair Wage Network to engage suppliers and promote fair payment within their supply chains, they did not provide evidence of an improved group approach.

CCLA will continue to monitor LVMH's progress and engage when their next assessment is published in late 2025.

Environment

Within 'better environment' our primary focus is on climate action. We also focus on other environmental concerns such as biodiversity.

Siemens (climate)

Climate change represents a significant threat to our planet, ecosystems and communities. As an industrial sector company, Siemens is defined as a 'high impact' company for its potential to contribute to climate mitigation. We have engaged with Siemens on climate action since 2023 through the Net Zero Engagement Initiative.

Specifically, we have been asking for a clearer climate transition plan, an increase in scope 3 emission reduction targets and better engagement on climate with suppliers. We attended the AGM in 2024 to reinforce these asks.

By early 2025, Siemens had raised its 2030 scope 3 emissions reduction target from 15% to 30% and expanded disclosure on supplier engagement. It has published a structured climate transition plan including a visual decarbonisation roadmap.

There is more to do, particularly around quantifying the impact of specific actions. Nonetheless, Siemens has a significant potential to contribute to climate mitigation and has evidenced that it is actively working to reduce its carbon footprint.

Zoetis (biodiversity)

Declining biodiversity presents growing systemic risks to environmental stability, economic security, and human wellbeing. As a health care company with impacts across animal pharmaceuticals and agriculture, Zoetis is considered systemically important for reversing nature loss. We began engaging in 2024 through the Nature Action 100 initiative.

In our first meeting, we encouraged Zoetis to align its sustainability strategy with biodiversity goals. We discussed biodiversity-related materiality assessments, antibiotic use, sustainable packaging, and consideration of frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD).

Zoetis acknowledged biodiversity has not yet been a core focus but committed to reassessing its material issues. It is shifting from antibiotics to preventive solutions, with vaccines now 25% of its portfolio, and piloting packaging improvements. The company is early in its approach but open to continued engagement.

Zoetis scores lower than peers in the Nature Action 100 benchmark. We will continue engagement to encourage improved disclosure, framework alignment, and clearer integration of biodiversity into strategy and reporting.

Assess

Climate-related data in this report covers the period to 31 March 2025. CCLA reports on the weighted average carbon intensity (WACI) of each fund. WACI measures a portfolio's exposure to carbon-intensive assets, defined as the portfolio weighted average of assets' carbon intensity (emissions/sales), expressed in tCO<sub>2</sub>e/\$1m sales. The larger the number, the more carbon intensive the investments.

Weighted average carbon intensity (WACI)

Fund	33.8 tCO <sub>2</sub> e/\$m sales
MSCI World	97.2 tCO <sub>2</sub> e/\$m sales

This covers 73.5% of the fund's assets (covering most listed equities and alternative assets).<sup>2</sup>

Climate metrics are only provided if reliable climate data and appropriate methodologies are available. The assets covered include all listed equities and alternatives.<sup>3</sup> Much of our fixed interest exposure is through externally managed funds. We have obtained climate data from these fund managers, however, as they use a different methodology to calculate their data it is not reported here. We do not have reliable climate data using appropriate methodologies for other asset classes.

Our full approach to climate targets can be found in [A climate for Good Investment](#), reported in accordance with the Task Force on Climate-related Financial Disclosures (TCFD).

Align

The value-based screenings that apply to this fund are set out [here](#).

If these restrictions were applied to the MSCI World Index, 7.2% of the index by weight (114 companies) would be excluded from investment.<sup>4</sup>

2 The percentage shown here is a combination of the coverage ratio for different asset classes. The coverage ratio is the fund's percentage of each asset class multiplied by the data coverage for the securities of that asset type. 73.5% for 2025 is made up of coverage ratios for equities (65.0%) and alternatives (8.5%). If the total coverage ratio stated is below 100%, it may not represent the fund's total carbon footprint/climate-related impact for the given metrics and is not comparable with other funds. Lower data coverage results in reduced reliability for these metrics.

3 Data source: MSCI, as at 31 March 2025 and 31 March 2024.

4 Analysis is based on MSCI index weighting at 30 June 2025. All restrictions are based on either those specified in the respective scheme particulars/prospectus or CCLA's investment policy.

## Further links

- [Scheme information](#) (for pre-contractual disclosures)
- [A climate for Good Investment](#) (for information on the impact of climate change on CCLA and the actions we are taking)
- [Climate-related financial disclosures](#) (for information on the impact of climate change on the fund)

## Glossary

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

CCLA  
One Angel Lane  
London EC4R 3AB

**CCLA**  
BECAUSE GOOD IS BETTER

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

Issued by CCLA Investment Management Limited (registered in England No. 2183088 at Registered office One Angel Lane, London EC4R 3AB). CCLA is part of the Jupiter Group, and is authorised and regulated by the Financial Conduct Authority. CCLA is the trading name of CCLA Investment Management Limited and CCLA Fund Managers Limited.

### Notice and disclaimer for reporting licences

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

### Blended index returns disclaimer

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