

Modern slavery statement

For financial year ending 31 March 2025

Introduction

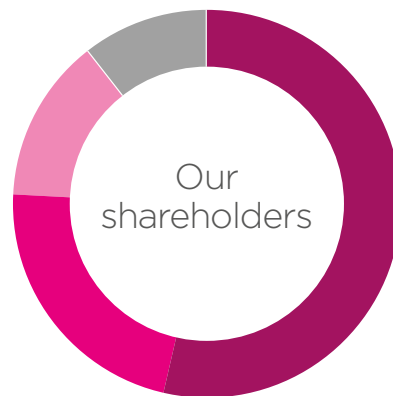
CCLA Investment Management Limited (CCLA) remains committed to eradicating modern slavery and human trafficking across our operations and supply chains. In 2025, we strengthened our governance framework, enhanced supplier due diligence, and expanded our engagement through the *Find it, Fix it, Prevent it* coalition. We have also produced other media such as film/video for staff, clients, suppliers and other stakeholders on modern slavery and CCLA's distinctive approach. These actions reflect our determination to move beyond compliance and deliver measurable impact, in line with the UK Modern Slavery Act and international best practice.

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and covers the financial year ending 31 March 2025.

About CCLA

CCLA Investment Management Limited is a private company limited by shares, registered in England and Wales and incorporated in the United Kingdom, providing investment management products and services to charities, Church of England organisations, the public sector and retail clients. CCLA Fund Managers Limited is a wholly owned subsidiary of CCLA Investment Management Limited.

CCLA shareholders are dominated by the funds we manage:



■ The CBF Church of England Investment Fund	53.69%
■ COIF Charities Investment Fund	22.37%
■ The Local Authorities Mutual Investment Fund	13.42%
■ Employees	10.52%

We manage over £15 billion on behalf of more than 32,000 not-for-profit clients and offer a variety of investment solutions to meet the needs of our clients. These include: multi-asset class pooled funds and single asset class pooled funds, which cover bonds, cash, equities and property, and may be used alone or in combination (usually as part of a client's investment strategy) managed funds service, which offers clients a blended portfolio using CCLA funds segregated investment services for clients where, for various reasons, pooled funds are not appropriate.

CCLA is committed to ensuring that its dealings with its employees, and with its suppliers are conducted ethically and responsibly. Our clients are UK-based, we are global investors, and our funds are managed responsibly and in line with our clients' values.

Governance

The CCLA Board retains ultimate responsibility for our modern slavery policy. It consists of three executive directors, three non-executive directors representing our largest shareholders, and three independent non-executive directors (including the Chair).

In 2024, we formally established a Modern Slavery Committee chaired by an executive director. In 2025, the committee met three times (February, July, November) and expanded its remit to include monitoring KPIs and reviewing supplier dashboards. Membership includes representatives from finance, risk, compliance, legal, IT, HR, market development and sustainability.

Organisational structure and workforce

The Chief Executive leads implementation of our modern slavery policy, supported by the Executive Committee. As of December 2025, CCLA employs 190 staff and two contractors. None were outsourced. We disclose workforce composition to ensure transparency, recognising that flexible and outsourced workers can be more vulnerable to exploitation.

Policy framework

Our nine guiding principles remain unchanged:

- Employment is freely chosen.
- Freedom of association is respected.
- Working conditions are safe and hygienic.
- Child labour shall not be used.
- Living wages are paid.
- Working hours are not excessive.
- No discrimination is practised.
- Regular employment is provided.
- No harsh or inhumane treatment is allowed.

Suppliers must comply with these principles and relevant ILO Conventions, applying a risk-based approach to their own supply chains.

Modern slavery and CCLA

We define modern slavery in line with the UN: "Modern slavery is an umbrella term encompassing slavery, servitude, human trafficking and forced or compulsory labour."

We acknowledge that modern slavery is systemic and may exist in any supply chain. While most of our direct suppliers are professional services (low-risk sectors), we recognise elevated risks in technology hardware, construction (linked to property funds), and hospitality services.

We believe our risk in our direct operations and supply chain to be low, as we are a professional services company and the majority of our 700 suppliers are based in the UK. We believe our biggest modern slavery risk lies in our investments.'

Due diligence and risk assessment

Supplier management platform

Implemented in Q4 2025, providing real-time dashboards for compliance monitoring of our suppliers.

Enhanced questionnaires

Now include detailed questions on human rights, grievance mechanisms, and governance.

Risk mapping

Completed geographic mapping of suppliers and initiated indirect supplier risk assessments.

Escalation process

CCLA expects its suppliers to uphold international labour standards, human rights and align with the Ethical Trading Initiative Base Code. Non-compliance triggers corrective action plans; persistent breaches lead to responsible exit.

Actions taken in 2025

Sustainability initiatives

Hosted roundtables on AI-driven risk detection, construction sector vulnerabilities, and seasonal agriculture. Held seminars for investors on developments in due diligence legislation across Asia, the work of Investors Against Trafficking Asia Pacific and the role of investors in promoting remedy.

Corporate engagement

Engaged with 68 companies in the CCLA Modern Slavery Benchmark.

Training

Mandatory e-learning achieved 100% completion rate; supplemented by Lunch & Learn sessions and video content.

Collaboration

Continued leadership in *Find it, Fix it, Prevent it* coalition and UN PRI Advance programme.

Impact case studies

Case study 1: supplier risk escalation

During routine monitoring, our dashboard flagged a Tier 1 supplier in facilities management for incomplete compliance documentation.

Action taken:

- Initiated an urgent review and requested corrective action within 14 days.
- Supplier implemented enhanced labour checks and provided evidence of worker protections.

Outcome:

- Compliance restored; supplier retained under strict monitoring.
- Lessons shared internally to strengthen onboarding protocols.

Case study 2: collaborative remediation

Through the *Find it, Fix it, Prevent it* coalition, we identified a subcontractor in the construction sector with potential recruitment vulnerabilities.

Action taken:

- Worked with the prime contractor to implement ethical recruitment standards.
- Provided training resources and guidance on grievance mechanisms.

Outcome:

- Subcontractor adopted new policies and reported zero recruitment-related risks in subsequent audits.

Case study 3: technology-driven risk detection

Leveraging AI-based screening tools piloted in 2025, we detected elevated risk indicators in a technology hardware supplier's extended supply chain.

Action taken:

- Engaged directly with the supplier to review sourcing practices.
- Required disclosure of labour conditions in upstream factories.

Outcome:

- Supplier committed to quarterly reporting and joined an industry initiative on responsible sourcing.

Measuring effectiveness

- 100% Tier 1 suppliers assessed against modern slavery criteria.
- 100% staff completed on-line training (target mark: 75%).
- Strengthened detection and remediation protocols.



CASE STUDY: **ENGAGING WITH COCA-COLA ON FORCED LABOUR AND HUMAN RIGHTS ABUSES IN THE INDIAN SUGAR SUPPLY CHAIN**

Company description

The Coca-Cola Co. is the world's largest beverage enterprise, headquartered in Georgia, USA. It offers a diverse portfolio of soft drinks, juices, teas, and waters, selling into more than 200 countries worldwide. This engagement focusses on Coca-Cola, but also includes Unilever and Nestlé, all of whom are significant buyers of Indian sugar.

Reason for engagement

In 2024, a series of articles in the New York Times uncovered exploitative abuse, forced labour and coerced hysterectomies in the Maharashtra sugar cane industry.¹

Migrant sugar cutters – labourers who travel to sugar-producing regions to harvest sugarcane – are recruited by gangmasters known as mukadam, who serve as intermediaries between sugar mills, farms, and labourers. Through debt traps and informal contracts, these workers are pushed into debt bondage and forced labour, while reports revealed brutal working conditions and exploitative, sometimes violent, practices aimed at boosting productivity on sugar farms.

What we did

CCLA is a member of the Interfaith Center on Corporate Responsibility's Equitable Global Supply Chains group. The Group picked up on the issue and joined an international group of investors engaging major sugar buyers from the Maharashtra region, including Coca-Cola, Mondelez, PepsiCo, Nestlé and Unilever. As a direct investor in Coca-Cola, we took the lead in engaging the company, along with

Mercy Investment Services. We have been asking Coca-Cola to demonstrate leadership in tackling this deep-rooted and complex human rights issue and ensure there are effective social dialogue mechanisms with workers.

Outcomes

Coca-Cola has engaged constructively and launched several initiatives in India with a view to creating a more responsible sugar cane industry. These include:

- Sustainable Ethical and Decent Sugarcane (SEED): Coca-Cola and its implementation partner, Solidaridad, are working with three mills in Coca-Cola's direct supply chain to roll out awareness raising and better working conditions for mill workers and cane cutters.
- Coalition for Responsible Sugar Cane Industry (CRSI): this newly formed multistakeholder initiative is working to address the issues at a system-wide level. CRSI has gained the support of and is working with the Indian Sugar Mills Association, the apex sugar industry body in India. CRSI also has the support of Hershey, Unilever and PepsiCo.
- Partnering with the International Organisation for Migration (IOM): this is tasked with providing pre-departure rights training for migrant workers in India.
- Supporting the International Labour Organisation's child labour work in the neighbouring state of Karnataka.

In May, Coca-Cola published a statement outlining the steps it has taken to address the issue.² Discussions continue.

1 Megha Rajagopalan and Qadri Inzamam (24 March 2024), 'The brutality of sugar: debt, child marriage and hysterectomies', online at www.nytimes.com/2024/03/24/world/asia/india-sugar-cane-fields-child-labor-hysterectomies.html

2 Coca-Cola Co (5 December 2025), 'Update on collective actions to advance working conditions for sugarcane workers in India', online at www.coca-colacompany.com/media-center/update-on-collective-actions-to-advance-working-conditions-f-...



CASE STUDY: ENHANCING MODERN SLAVERY AWARENESS AND DISCOVERY IN PROPERTY MANAGEMENT

Company description

BNP Paribas Real Estate UK are a long established real estate services company who provide property management services to CCLA in relation to the Local Authority Property Fund and the COIF Charities Property Fund.

Reason for engagement

Part of the services provided to the funds are procured through subcontractors in sectors such as security, cleaning and landscaping where the risks of modern slavery occurring are higher than in other areas.

What we did

As part of the retendering exercise that BNP took across its property management subcontracts, we used our knowledge and expertise to ensure the safeguards in the supplier contracts relating to modern slavery were higher than those set out in the Modern Slavery Act.

Outcomes

The new contracts:

Require the supplier to make available to the customer all information necessary to demonstrate compliance with the obligations laid down in the contract and allow for and contribute to audits, including inspections, conducted by the customer or another auditor mandated by the customer.

Require that wage rates must not fall below the National Living Wage (to include London Living Wage and Real Living Wage where appropriate).

These new contracts not only cover the £1.5bn of property managed by BNP on behalf of CCLA, but will also be used across other BNP Paribas Real Estate UK property management contracts.

Beyond procurement: active ownership

We continue to use our influence as investors to combat modern slavery:

- Supported shareholder proposals urging Nike to review cotton sourcing from high-risk regions.
- Engaged Compass Group on ethical recruitment and migrant worker protections.
- Led engagement under UN PRI Advance with a US clean energy utility to address solar supply chain risks.

Future commitments (2026)

- Extend risk assessments beyond Tier 1 suppliers.
- Publish anonymised remediation case studies.
- Develop and integrate KPIs in greater detail for our downstream value chain.
- Consider integrating modern slavery KPIs into executive performance reviews.
- Align with anticipated Home Office guidance updates.

Board approval

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes CCLA's slavery and human trafficking statement for the financial year ending 31 March 2025 and was approved by the Board of CCLA Investment Management Limited on 19 November 2025 and signed by:



Peter Hugh Smith
Chief Executive



Richard Horlick
Chairman

Important information

This document is not a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. To ensure you understand whether our products are suitable, please read the fund fact sheets and the scheme particulars and the risk factors identified therein. We strongly recommend you seek independent professional advice prior to investing.

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February 2026

WANT TO KNOW MORE?

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