

# Assessment of value

For the year to 31 December 2024



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## CCLA supports Koestler Arts

Koestler Arts is the UK's leading arts charity. It is nationally respected for its ground-breaking work using the arts as a catalyst for positive change in the lives of people within the criminal justice system and in the public's perception of their potential.

Cover image courtesy of Koestler Arts.  
*Nocturnal Hallucination*, HM Young  
Offender Centre Hydebank Wood

**[koestlerarts.org.uk](https://koestlerarts.org.uk)**

# Funds covered by this assessment

## Multi-asset

	Managed by
Catholic Investment Fund	CCLA Fund Managers Limited
COIF Charities Ethical Investment Fund	CCLA Fund Managers Limited
COIF Charities Investment Fund	CCLA Fund Managers Limited
CCLA Cautious Multi-Asset Fund*	CCLA Investment Management Limited
The CBF Church of England Investment Fund	CCLA Investment Management Limited

## Equities

	Managed by
COIF Charities Global Equity Fund	CCLA Fund Managers Limited
The CBF Church of England Global Equity Fund	CCLA Investment Management Limited
The CBF Church of England UK Equity Fund	CCLA Investment Management Limited
CCLA Better World Global Equity Fund	CCLA Investment Management Limited

## Property

	Managed by
COIF Charities Property Fund	CCLA Fund Managers Limited
The CBF Church of England Property Fund	CCLA Investment Management Limited
Local Authorities' Property Fund	CCLA Fund Managers Limited

## Cash and bonds

	Managed by
COIF Charities Deposit Fund	CCLA Fund Managers Limited
COIF Charities Short Duration Bond Fund	CCLA Fund Managers Limited
The CBF Church of England Deposit Fund	CCLA Investment Management Limited
The CBF Church of England Short Duration Bond Fund	CCLA Investment Management Limited
Public Sector Deposit Fund	CCLA Investment Management Limited

\*During the assessment of value review period, the CCLA Cautious Multi-Asset Fund launched as a new fund. It was previously named CCLA Better World Cautious Fund but was renamed in December 2024 and is referred to as such throughout this report.

This report is published on behalf of CCLA Investment Management Limited and its wholly owned subsidiary, CCLA Fund Managers Limited.

While we endeavour to explain terminology and use words that will be understood by investors, there may be terminology in the report which you are unfamiliar with. In this case, please refer to our website glossary:

**[www.ccla.co.uk/glossary](http://www.ccla.co.uk/glossary)**

# Introduction

The assessment of value is an annual Financial Conduct Authority (FCA) requirement for investment managers like CCLA. It involves a review of the funds we manage and an assessment of the overall value delivered to investors.

This is CCLA's sixth annual assessment of value and covers the year up to the end of 2024. CCLA's assessment of value process continues to evolve and is central to the ongoing development, design, and governance of CCLA's funds.

The assessment of value is an important evaluation which allows us to demonstrate how we perform in our role of delivering long-term returns at a cost that is reasonable.

## CCLA's history

Founded in 1958, we are an investment manager known for serving charities, religious organisations and the public sector. In 2022, we made our first foray into the retail market with the launch of the CCLA Better World Global Equity Fund, adding the CCLA Cautious Multi-Asset Fund in 2024.

We aim to manage funds and provide professional investment management services to a wide range of investors – whether large or small.

In doing so, we recognise that our funds should be reasonably priced and managed in a manner that we believe is consistent with our clients' values and helps them to achieve their financial goals.

This philosophy has always underpinned CCLA's purpose of helping our clients maximise their impact on society by harnessing the power of investment markets. This means we must provide a supportive and stable environment for our staff and deliver trusted, responsibly managed and strongly performing products and services to our clients, irrespective of their size.

## 2024 – key updates

CCLA has a demonstrable history of helping lead the investment industry in collective action.

Throughout 2024 we have continued to drive forward and expand our flagship engagement programmes across the themes of better environment, better work and better health, publishing CCLA's Corporate Mental Health (UK 100 and Global 100+ companies) Benchmarks and Modern Slavery UK Benchmark, with demonstrable improvement seen at multiple companies across all three. We have also taken steps to explore new areas such as air pollution. Further details are available in the [Sustainable Investment Outcomes report](#) on our website.

Operationally, 2024 also saw continued focus on the transfer agency outsourcing arrangement to a third party which came into effect in November 2023. We have provided an update on this on page 10.

## New regulations

The FCA has recently introduced a package of measures to improve the trust and transparency of sustainable investment products and reduce greenwashing, called the Sustainability Disclosure Requirements. These new measures apply to investment managers, like CCLA, who make sustainability-related claims about their products and services. As part of the implementation of these new requirements we have made a number of amendments to all funds' literature. These amendments aim to set out more clearly our approach to sustainability.

## Fund name change

### CCLA Cautious Multi-Asset Fund

At the same time as the implementation of the new regulations, CCLA made the following change to the fund name. The revised fund name is used throughout this report:

'CCLA Better World Cautious Fund' is now the 'CCLA Cautious Multi-Asset Fund'.

## How we assess value

Value is a combination of factors. It is not limited to fees and performance, but also includes quality of service, ensuring that risks are consistent with a fund's objectives, and that fees are reasonable relative to the costs of providing a service.

Our assessment has contemplated value not only by including the seven criteria required by the FCA, but also an assessment of our ESG performance in our multi-asset and equities funds, since our approach to sustainability is integral to our value proposition.

Last year, we also separately demonstrated active management being employed in the multi-asset and equities funds' portfolios. This year, since our fees include active management, we have included this within the authorised fund managers' costs section.

We have conducted our assessment of value against eight assessment criteria:

1. **Quality of service** – How good is the service you receive from CCLA?
2. **Fund performance** – How well do CCLA's funds perform relative to their investment objectives, benchmarks, strategies and peers?
3. **Authorised fund managers' costs** – Are the costs and charges investors pay for funds and services reasonable?
4. **Economies of scale** – Have CCLA or the funds CCLA manages achieved economies of scale and have these been passed on to investors?
5. **Comparable services** – How do the costs you pay compare to those paid by clients receiving similar services offered by CCLA?
6. **Comparable market rates** – How do CCLA's costs and charges compare to those of similar funds offered by other fund managers?
7. **Classes of units/shares** – Are you invested in the most appropriate unit/ share class available to you, and are any differences in costs between unit/share classes justified?
8. **ESG metrics** – How have CCLA's multi-asset and equities funds performed against the ESG characteristics of the companies in relevant indices?

How CCLA assesses value per criterion is explained in the individual sections.

### Accountability for the assessment of value

The independent directors of CCLA Investment Management Limited and CCLA Fund Managers Limited have overseen CCLA's annual assessment of value and the assigned ratings. The assessment reinforces the duties of the boards to look after the interests of investors.

The following are independent non-executive directors at CCLA:

#### For CCLA Investment Management Limited:

Richard Horlick (Chair)  
Ann Roughead  
Jonathan Jesty

#### For CCLA Fund Managers Limited:

Jon Bailie (Chair)  
Nicholas McLeod-Clarke  
Rebecca Fuller

Their responsibility, as independent directors, is to consider whether, based on the assessment value criteria, the funds provide value.

The directors provide input and challenge the assessment results produced by CCLA and ultimately determine the value rating for each fund, at criteria level and overall.

Full profiles of the executive and non-executive directors are available on page 37.

CCLA uses a traffic-light system to determine ratings per criterion, per fund:

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#### ● Provides value

Where we believe the fund provides value.

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#### ● Requires action

Where we believe the fund provides overall value, but we have identified areas of improvement and note that additional monitoring is required.

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#### ● Poor

Where we believe fair value has not been offered and immediate action(s) may be required.

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We hope this makes it easier for investors to quickly identify those funds that have delivered value, those we believe require action or warrant further scrutiny, and those which have not delivered value.

### Follow up actions on last years' report

Last year's assessment of value (for the year to December 2023) identified the Diversified Income Fund as being rated amber overall due to relative underperformance. As noted in last year's report the fund was merged into the new CCLA Cautious Multi-Asset Fund in February 2024 and subsequently closed.

All funds, with the exception of the Diversified Income Fund and CCLA Better World Global Equity Fund, were rated amber for quality of service. This acknowledged the disruption experienced by investors following the outsourcing of the transfer agency function for the relevant funds in November 2023, and which continued during 2024. We comment on the ongoing impact of this change on page 10.

# Summary of our assessment

## Summary of findings

The boards' conclusion is that CCLA's fund range continues to provide overall fair value to its investors. However, for this assessment period they concluded:

- While the performance of the property, bond and cash funds is satisfactory, the relative performance of the multi-asset and equities funds have deteriorated and are rated amber.
- While some improvement has been seen over the course of 2024, transfer agency service quality levels are yet to return to where we would expect them to be. We continue to rate the impacted funds amber in this respect.
- CCLA's funds' costs and charges remain reasonable relative to the costs of providing those services, the quality of services provided and when compared against peers.
- Any difference in costs and charges between similar funds, services and unit/share classes are reasonable, as explained in this report.

## Fund performance

As noted above, for the property, bond and cash funds, performance is satisfactory and have therefore been rated as green. There were seven funds rated as amber:

### Multi-asset and equities funds

The rationale for the amber ratings is explained in more detail in the performance section but in summary this is driven by underperformance relative to benchmarks over relevant time periods.

Investors should note that the period of review for the CCLA Cautious Multi-Asset Fund and CCLA Better World Global Equity Fund is too short to adequately assess performance.

## Quality of service

Continued challenges arising from the outsourcing of the transfer agency function has resulted in some clients experiencing poor levels of service. More detail is provided in the quality of service section, and the impacted funds have been rated amber as a result.

The boards will be monitoring what steps are being taken by CCLA with respect to amber ratings in terms of performance and quality of service for the impacted funds. The boards will be looking for actions to address the areas of concern over the course of 2025.

## Overall ratings

In reaching an overall rating for the funds, the boards consider all eight criteria set out on page 5. Although all criteria are thoroughly assessed, fund performance tends to assume a greater weighting than other criteria in their considerations, in recognition of what we believe to be investors' expectations.

Consequently, all multi-asset and equities funds (with the exception of CCLA Cautious Multi-Asset Fund and CCLA Better World Global Equity Fund) have been rated amber overall due to their relative performance. All other funds have been rated as green overall.

In the following pages we describe how our assessments have been made and share our key findings.

Approved by:

**Richard Horlick**  
**Chair**

CCLA Investment Management Limited

and

**Jon Bailie**  
**Chair**

CCLA Fund Managers Limited

● **Provides value**

Where we believe the fund provides value.

● **Requires action**

Where we believe the fund provides overall value, but we have identified areas of improvement and note that additional monitoring is required.

● **Poor**

Where we believe fair value has not been offered and immediate action(s) may be required.

Overall rating		Quality of service	Fund performance	AFM costs	Economies of scale	Comparable services	Comparable market rates	Classes of units/shares	ESG metrics
●	Catholic Investment Fund	●	●	●	●	●	●	●	●
●	COIF Charities Ethical Investment Fund	●	●	●	●	●	●	●	●
●	COIF Charities Investment Fund	●	●	●	●	●	●	●	●
●	CBF Church of England Investment Fund	●	●	●	●	●	●	●	●
●	CCLA Cautious Multi-Asset Fund	●	NR*	●	●	●	●	●	●
●	COIF Charities Global Equity Fund	●	●	●	●	●	●	●	●
●	CBF Church of England Global Equity Fund	●	●	●	●	●	●	●	●
●	CCLA Better World Global Equity Fund	●	NR*	●	●	●	●	●	●
●	CBF Church of England UK Equity Fund	●	●	●	●	●	●	●	●
●	COIF Charities Property Fund	●	●	●	●	●	●	●	NR
●	CBF Church of England Property Fund	●	●	●	●	●	●	●	NR
●	Local Authorities' Property Fund	●	●	●	●	●	●	●	NR
●	COIF Charities Deposit Fund	●	●	●	●	●	●	●	NR
●	COIF Charities Short Duration Bond Fund	●	●	●	●	●	●	●	NR
●	CBF Church of England Deposit Fund	●	●	●	●	●	●	●	NR
●	CBF Church of England Short Duration Bond Fund	●	●	●	●	●	●	●	NR
●	Public Sector Deposit Fund	●	●	●	●	●	●	●	NR

NR\* The period of review for the CCLA Cautious Multi-Asset Fund and CCLA Better World Global Equity Fund is too short to adequately assess performance.

NR Not rated (please refer to page 35).

# 1. Quality of service

## How good is the service you receive from CCLA?

### Quality of service

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

### How have we assessed the quality of service?

For this assessment, we look at the management information (MI) data that is utilised when monitoring CCLA's obligations under the FCA's Consumer Duty principle, which seeks to ensure clients receive suitable products and services which are reasonably priced, easily understood and provide adequate support. We also separately review our investment management services. Taking this altogether, we then review the data as follows:

1. **Client support:** We look at the teams dedicated to providing client support and service and score them against established metrics measuring the quality of client services, customer support (including that provided by appointed service providers), aiding customer understanding and the number of complaints received.
2. **Client processes:** This assigns a score to CCLA's (or an appointed service provider's) accuracy in areas such as transaction processing, fund pricing and reporting. We also consider operational resilience data both internally and across all service providers.
3. **Breaches:** This assigns a score based on the number of breaches that have occurred, whether regulatory or other incidents contributing to what would be considered a risk event or near-miss risk event. This is considered both internally and across all service providers.

#### 4. Investment management services:

This refers to the provision of investment management by appropriately experienced investment professionals and includes the input of the dedicated sustainability team. We reviewed the investment process and philosophy of the funds, and whether they have remained consistent over the period.

#### Transfer agency transition

As noted on page 4, 2023 saw CCLA complete the outsourcing of the transfer agency function (the process by which client transactions are recorded and implemented) to a third party.

This involved moving transfer agency and other ancillary activities whilst retaining in-house staff to provide oversight and continued support to our clients via the client services team. During 2024 considerable work was undertaken to embed this change into processes and controls at both the appointed transfer agent and CCLA.

Following the migration, we experienced significant operational difficulties which have impacted clients negatively. These included:

- late deals and dealing errors;
- statement and correspondence missing data;
- distributions not paid in a timely manner;
- client static data not updated in a timely manner.

As a result of the above there are cases where clients did not experience the same high standard of service that they received prior to the migration. As a result, following the migration, we saw an increase in complaints relating to operational services, and a rise in dealing errors and breaches. Our client services team, which remain in house, have worked continuously to support clients through these issues with additional staff being brought in to facilitate this.

Over the year we have seen improvements in key areas that have partially improved client experience.

Nevertheless, the level of service from the outsourced provider remains inadequate, as confirmed by the metrics and indicators used to assess quality of service. We therefore continue to work closely with them to ensure that issues experienced by clients are addressed promptly and process improvements are implemented, and a remediation plan is in place. CCLA is focused on ensuring that the service provided to clients returns to the level that they expect of CCLA.

#### Summary of our assessment

Quality of service, like all other assessment of value criteria, is assessed at a fund level, and the CCLA Cautious Multi-Asset Fund and the CCLA Better World Global Equity Fund were not impacted to the same extent by the transfer agency change and are rated as green.

Transfer agency forms an important element of CCLA's service offered to clients, and the metrics we have established to monitor this service confirm that more improvement is needed before we return to an acceptable standard, therefore the remaining funds will remain rated as amber.

## 2. Fund performance

How well do CCLA's funds perform relative to their investment objectives, benchmarks, strategies and peers?

### Fund performance

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
NR*	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
NR*	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

NR\* The period of review for the CCLA Cautious Multi-Asset Fund and CCLA Better World Global Equity Fund is too short to adequately assess performance.

### How have we assessed fund performance?

CCLA assesses the performance of each fund against a range of internal metrics and over several time periods. We consider each fund's performance net of fees in the context of its objective, policy, strategy, benchmarks, and recommended holding period.

CCLA's equity, multi-asset and property funds have a suggested minimum investment time horizon of at least five years and the bond funds have a suggested minimum investment time horizon of three years. The boards consider the following as part of their review:

- Returns in relation to any target benchmark and/or comparator benchmark.

- Returns and volatility ranking versus peers in a comparable Investment Association (IA) fund sector.
- Volatility versus any relevant target or comparator benchmark.

CCLA has established internal parameters and thresholds for each measure to help identify where performance or risk may be outside an acceptable range agreed by the boards.

CCLA and the boards regularly evaluate fund performance in addition to the annual assessment of value, to enable ongoing oversight and to assess how the funds are performing against their objectives.

## Fund performance summary

			1 year			3 years			5 years			10 years		
			Return (annualised) %	Comparator benchmark return (annualised) %	Target benchmark return (annualised) %	Return (annualised) %	Comparator benchmark return (annualised) %	Target benchmark return (annualised) %	Return (annualised) %	Comparator benchmark return (annualised) %	Target benchmark return (annualised) %	Return (annualised) %	Comparator benchmark return (annualised) %	Target benchmark return (annualised) %
Rating/Fund name		Inc/Acc												
Multi-asset funds														
●	Catholic Investment Fund	Inc/Acc	4.83	15.31	6.57	1.45	5.51	9.62	—	—	—	—	—	
●	COIF Charities Ethical Investment Fund	Inc/Acc	5.69	15.31	6.57	2.60	5.51	9.62	6.71	7.40	8.56	8.57	7.94	7.08
●	COIF Charities Investment Fund	Inc/Acc	5.08	15.31	6.57	2.42	5.51	9.62	6.72	7.40	8.56	8.64	7.94	7.08
●	CBF Church of England Investment Fund	Inc/Acc	5.09	15.31	6.57	2.43	5.51	9.62	6.82	7.40	8.56	9.04	7.94	7.08
NR*	CCLA Cautious Multi-Asset Fund (class C)*	Inc/Acc	—	—	—	—	—	—	—	—	—	—	—	
Equity funds														
●	COIF Charities Global Equity Fund	Inc/Acc	8.15	20.79	—	3.64	9.15	—	10.18	12.42	—	10.75	12.26	—
●	CBF Church of England Global Equity Fund	Inc/Acc	8.82	20.79	—	4.31	9.15	—	10.66	12.42	—	11.11	12.26	—
●	CBF Church of England UK Equity Fund	Inc/Acc	4.84	9.09	—	-0.04	6.17	—	4.07	4.61	—	7.11	5.93	—
NR**	CCLA Better World Global Equity Fund (class C)	Inc/Acc	8.89	20.79	—	—	—	—	—	—	—	—	—	—
NR**	CCLA Better World Global Equity Fund (class I)	Inc/Acc	8.97	20.79	—	—	—	—	—	—	—	—	—	—
Property funds														
●	COIF Charities Property Fund	Inc	6.11	5.39	—	-1.20	-1.96	—	2.81	1.94	—	5.10	4.54	—
●	CBF Church of England Property Fund	Inc	6.14	5.39	—	-1.11	-1.96	—	2.87	1.94	—	5.18	4.54	—
●	Local Authorities' Property Fund	Inc	5.68	5.39	—	-0.98	-1.96	—	2.84	1.94	—	4.93	4.54	—
Cash and bond funds														
●	COIF Charities Deposit Fund	Inc	5.08	5.23	—	3.62	3.76	—	2.20	2.26	—	1.32	1.31	—
●	COIF Charities Short Duration Bond Fund	Inc/Acc	6.00	—	6.88	0.87	—	0.52	0.99	—	1.09	2.36	—	2.69
●	CBF Church of England Deposit Fund	Inc	5.18	5.23	—	3.69	3.76	—	2.29	2.26	—	1.39	1.31	—
●	CBF Church of England Short Duration Bond Fund	Inc/Acc	5.78	—	6.88	0.50	—	0.52	0.76	—	1.09	2.25	—	2.69
●	Public Sector Deposit Fund (share class 4)	Inc	5.24	5.23	—	3.75	3.76	—	2.30	2.26	—	1.38	1.31	—
●	Public Sector Deposit Fund (share class 3)	Inc	5.24	5.23										

Source: CCLA, data as at 31 December 2024. Total return performance is shown net of management fees and expenses with income reinvested.

**Past performance is not a reliable indicator of future returns.**

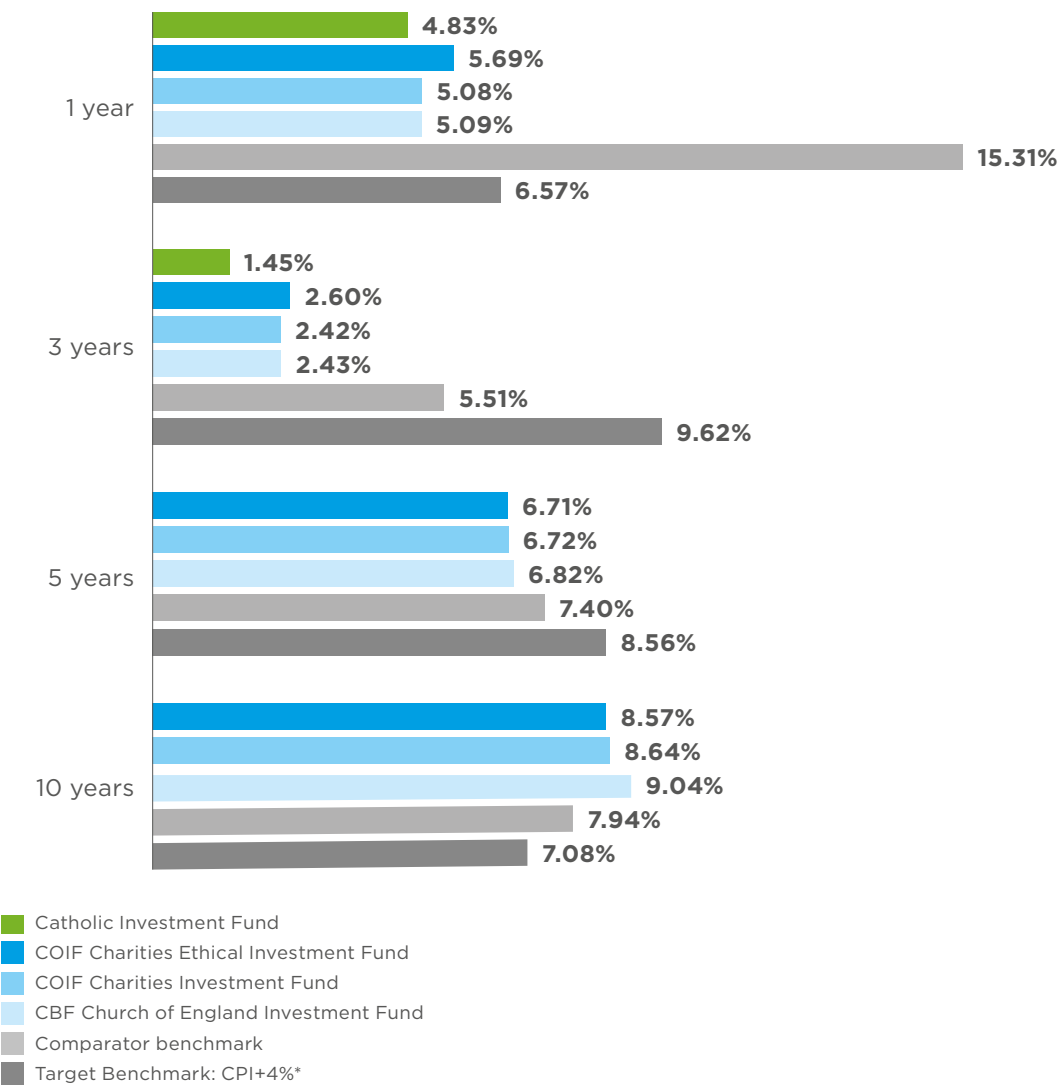
\*NR – The period of review is too short to adequately assess performance. The fund was launched on 16 February 2024 and has less than one year performance history. The fund is therefore not referenced further in this section.

\*\*NR – The period of review is too short to adequately assess performance. The fund was launched on 8 April 2022.

# Multi-asset funds

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund

## Annualised performance (as at December 2024)



Source: CCLA. Annualised total return performance shown after management fees and other expenses with income reinvested. Comparator benchmark – composite: from 01.01.21 MSCI World Index 75%, Markit iBoxx £ Gilts Index 15%, MSCI UK Monthly Property Index 5% and Sterling Overnight Index Average 5%. From 01.01.18 MSCI World ex UK Index 45%, MSCI UK Investable Market Index 30%, Markit iBoxx £ Gilts Index 15%, MSCI UK Monthly Property Index 5% and 7-Day Sterling London Interbank Bid Rate 5%. From 01.01.16 MSCI UK Investable Market Index 45%, Markit iBoxx £ Gilts 15%, MSCI Europe ex UK Index 10%, MSCI North America Index 10%, MSCI Pacific Index 10%, Investment Property Databank UK Monthly Property Index 5%, and 7-Day Sterling London Interbank Bid Rate 5%. Prior to 01.01.16 MSCI UK All Cap Index 45%, BarCap Gilt 15%, MSCI Europe ex UK Index (50% Hedged) 10%, MSCI North America Index (50% Hedged) 10%, MSCI Pacific Index (50% Hedged) 10%, Investment Property Databank UK Monthly Property Index 5% and 7-Day Sterling London Interbank Bid Rate 5%.

\*Target benchmark: gross returns of CPI+5% Note: CPI+4% has been used for the performance charts to give a comparable net figure by assuming 1% costs. **Past performance is not a reliable indicator of future results.**

These multi-asset funds have been grouped together as they share a common investment objective, target, and comparator benchmark. For any peer group analysis, the IA Sector used was Mixed Investment 40–85% Shares.

In managing these funds, CCLA also aims for a portfolio that has an appropriate level of volatility.

### Investment objectives

#### **COIF Charities Ethical Investment Fund, COIF Charities Investment Fund and the CBF Church of England Investment Fund**

The fund aims to provide a long-term total return comprising growth in capital and income.

#### **Catholic Investment Fund**

The fund's objective is to provide capital growth and a growth in income, with the aim that a gross total return of 5% per annum net of inflation as measured by the increase in the UK Consumer Prices Index is achieved over the long term (defined as five years).

There is no guarantee that this return will be achieved over this specific period, or any other period and capital is at risk.

#### **Comparator benchmark**

MSCI World Index 75%, Markit iBoxx £ Gilts 15%, MSCI UK Monthly Property Index 5% and Sterling Overnight Index Average 5%

#### **Target benchmark**

Gross returns of CPI+5%

*Note: CPI+4% has been used for the performance charts to give a comparable net figure by assuming 1% costs*

#### **Recommended holding period**

At least five years.

### Summary of our assessment

The boards have concluded the following:

- The COIF Charities Investment Fund, the COIF Charities Ethical Investment Fund and the CBF Church of England Investment Fund have underperformed the target benchmark over the one-year, three-year and five-year periods. Over the recommended holding period (at least five years) the funds have not met their target objective. The same funds have outperformed their target benchmark over the ten-year period. The Catholic Investment Fund has underperformed the target benchmark over the one-year and three-year periods.
- The COIF Charities Investment Fund, the COIF Charities Ethical Investment Fund and the CBF Church of England Investment Fund have also underperformed their comparator benchmark over one-year, three-year and five-year periods but also outperformed it over ten years. The Catholic Investment Fund has underperformed its comparator benchmark over the one-year and three-year periods.
- Relative to peers, all three Investment Funds with at least five-year track records have top quartile performance over the five-year and ten-year periods, dropping to bottom and third quartiles over the one-year and three-year periods respectively.
- The funds' volatility is low relative to peers over the shorter time periods and is in line with peers over the longer-term periods.

The funds had a challenging year in performance terms. While equities were the main drivers for delivering the funds' positive absolute returns, underweight positions relative to the wider global equity market (specifically a less concentrated position in the 'Magnificent 7'<sup>1</sup> US technology stocks that drove broad market performance in 2024) contributed to significant relative underperformance against the comparator, although we anticipate that holding a more diverse portfolio than the comparator will ultimately be beneficial in terms of a reduction of fund risk relative to the comparator. There are signs that this approach has helped improve the funds' relative returns in the first quarter of 2025 as fears of a global trade war have emerged and weighed on equity markets.

Elsewhere, underweight positions in banks and overweight positions in healthcare were additional contributing factors to the underperformance too. Looking to other asset classes, certain alternative assets were volatile in 2024 as a result of changes in the interest rate outlook.

Since the recommended holding period for the funds is at least five years, the boards feel it is appropriate to put more emphasis on the review of performance over the longer-term periods. However, the boards have noted the significant underperformance relative to both benchmarks over the short-term periods and when coupled with less pronounced underperformance over the minimum recommended holding periods for the relevant funds, the boards feel it is appropriate to downgrade all funds' ratings to amber.

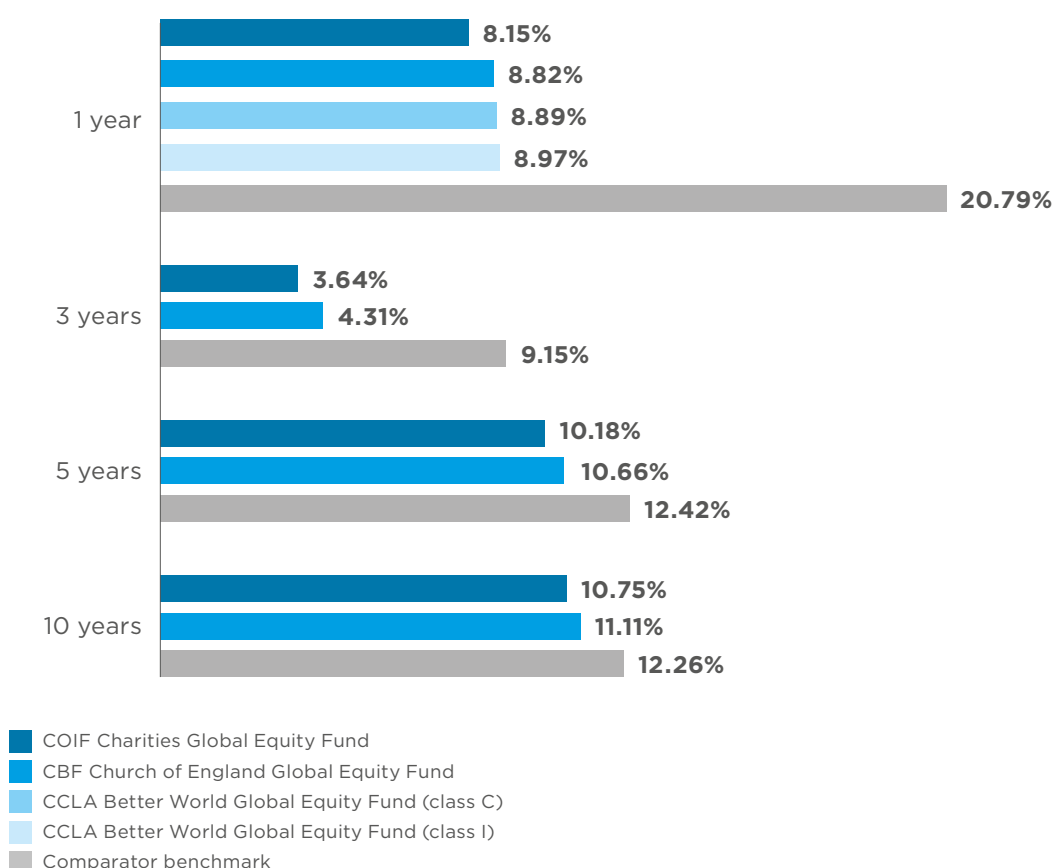
The boards will be closely monitoring the steps taken by CCLA's investment team to address this underperformance, either through changes to the investment process or through portfolio composition in reaction to market events. Although we note that performance relative to the comparator benchmarks has improved during the first quarter of 2025, we are very conscious of the uncertain geopolitical environment which will continue to add to performance volatility.

1 Comprises Apple, Microsoft, Alphabet (Google parent company), Amazon.com, Nvidia, Meta Platforms and Tesla.

# Equities

●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
NR	CCLA Better World Global Equity Fund (class C)
NR	CCLA Better World Global Equity Fund (class I)

## Annualised performance (as at December 2024)



Source: CCLA. Annualised total return performance shown after management fees and other expenses with income reinvested. Comparator benchmark: from 01.01.16 MSCI World Index. To 31.12.15 MSCI World Index 50% Currency Hedged. The CBF Church of England Global Equity Fund's investment policy changed with effect from April 2022 when the fund was converted into a feeder fund to the CCLA Better World Global Equity Fund, therefore past performance before that date was achieved under circumstances that no longer apply. **Past performance is not a reliable indicator of future results.**

These global equity funds have been grouped together as they share a common investment objective and comparator benchmark. For peer group analysis, the IA Sector used was Equity Sector – Global.

### **Investment objectives**

#### **CBF Church of England Global Equity Fund**

The fund aims to provide income with long-term capital growth (defined as any rolling period of five years).

There is no guarantee that the objective of the fund will be achieved over any time period. Capital is at risk.

#### **COIF Charities Global Equity Fund**

The fund aims to provide income with long-term capital growth.

### **Comparator benchmark**

MSCI World Index

### **Recommended holding period**

At least five years

### **Summary of our assessment**

The boards have concluded that:

- Both global equity funds are behind the comparator over all time periods, particularly over the shorter-term periods where underperformance relative to the benchmark is particularly acute.
- Relative to peers, both funds have second-quartile performance over the five-year and ten-year periods, dropping to the bottom and third quartiles over one-year and three-year periods respectively. Both funds continue to have low volatility compared to peers.

The causes of underperformance are as outlined in the discussion of the multi-asset funds and the relative position of the equity holdings versus the fund benchmarks.

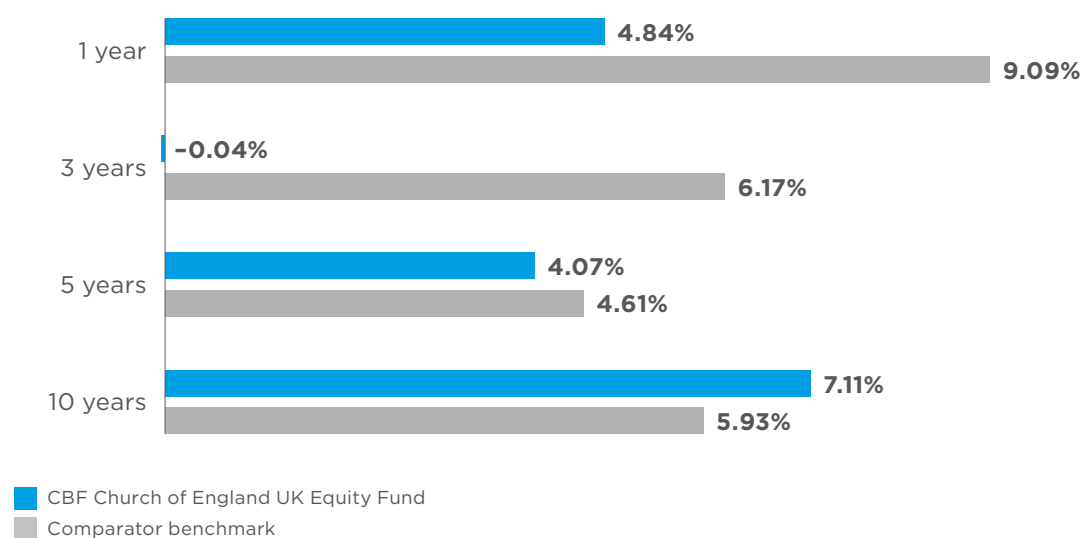
Nevertheless, the boards believe value has not been consistently demonstrated for both funds in the context of performance over all time periods. Both funds have not satisfied their investment objectives over the recommended holding period. The boards therefore feel it is appropriate to downgrade both funds' ratings to amber and will closely monitor the steps taken by CCLA to address the performance issues.

*Note: The CCLA Better World Global Equity Fund was launched in April 2022. While the boards acknowledge the fund's underperformance over the one-year period (included in the performance tables) CCLA believes the period since launch is too short to properly review the fund's performance in the context of value, given the recommended holding period. The fund is therefore 'not rated'.*

## Equities (continued)

### ● CBF Church of England UK Equity Fund

#### Annualised performance (as at December 2024)



Source: CCLA. Annualised total return performance shown after management fees and other expenses with income reinvested. Comparator benchmark: from 01.01.16 MSCI UK Investable Market Index. To 31.12.15 MSCI UK All Cap. To 30.11.14 MSCI UK All Cap adjusted for Church of England Ethical Investment Advisory Group Ethical Restrictions. **Past performance is not a reliable indicator of future results.**

**Investment objective**

The fund aims to provide growth in capital and income over the long term.

**Comparator benchmark**

MSCI UK Investable Market Index

**Recommended holding period**

At least five years

**Summary of our assessment**

The boards have concluded that:

- The one-year and three-year periods have seen the CBF Church of England UK Equity Fund underperform the comparator benchmark by a material amount. Over the recommended holding period the fund has also underperformed its comparator, but by a much smaller margin. Over the ten-year period the fund is comfortably ahead of the comparator benchmark.
- Against peers in the UK All Companies IA Sector, the fund is first quartile over the ten-year period, dropping to the second, third and bottom quartile over the five-year, three-year and one-year periods respectively.

The boards note the disappointing performance of the CBF Church of England UK Equity Fund relative to the comparator over the short term. Over the recommended holding period, the fund has not met its objective. The boards therefore feel it is appropriate to downgrade the fund's rating to amber.

**Closure of The CBF Church of England UK Equity Fund**

In 2024, CCLA reviewed the viability of The CBF Church of England UK Equity Fund.

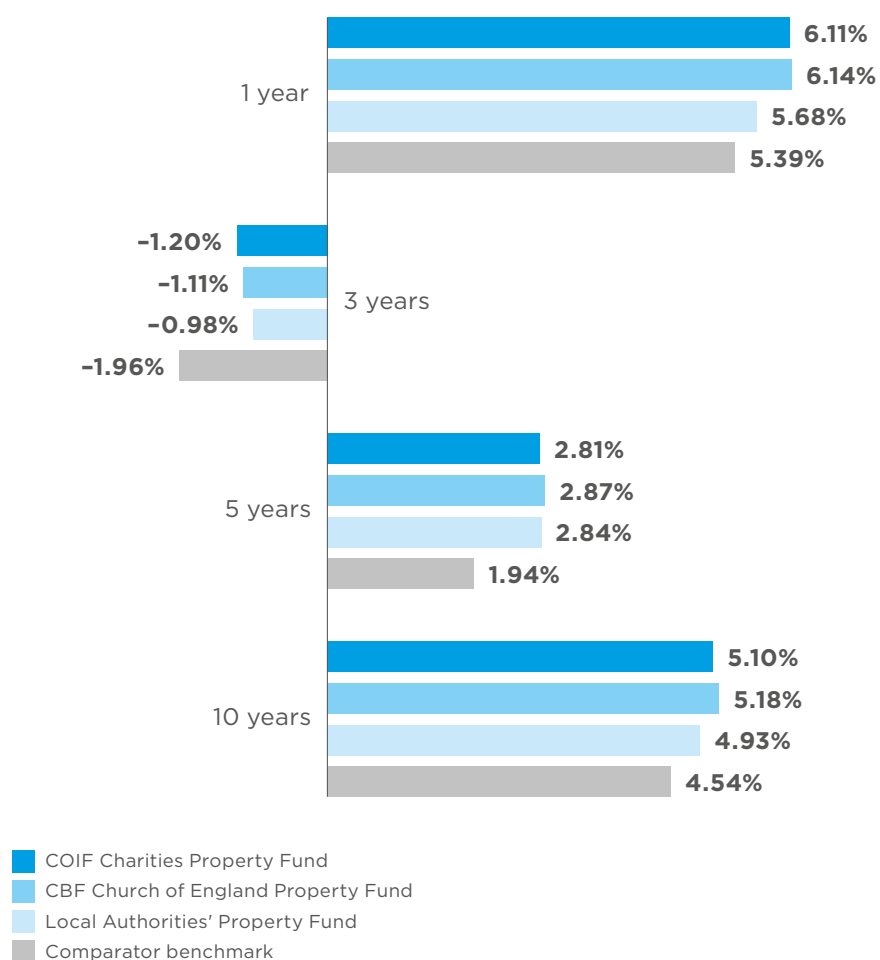
In recent years, the fund has experienced a low level of investor inflows. Market trends indicate that investors now focus more on global equity products, which have the benefit of greater diversification. As a result, and in view of the underperformance of the fund, we no longer believe that the fund has future growth prospects. The fund's trustee supports this view.

The CBF Church of England UK Equity Fund will be closed on 30 June 2025.

## Property

●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund

### Annualised performance (as at December 2024)



Source: CCLA. Property performance is shown after management fees and other expenses (net). Comparator benchmark: MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index. **Past performance is not a reliable indicator of future results.**

These property funds have been grouped together as they share a common investment objective and comparator benchmark. For any peer group analysis, the IA Sector used was Specialist Funds – UK Direct Property.

#### **Investment objective**

The fund aims to provide a high level of income and long-term capital appreciation.

#### **Comparator benchmark**

MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index

#### **Recommended holding period**

At least five years

#### **Summary of our assessment**

The boards have concluded that value has been delivered through strong performance:

- The funds' returns have been better than the comparator benchmark over all time periods.
- All three funds have seen first quartile performance relative to their IA sector peers over the one-year and ten-year periods, dropping to the second quartile over the three-year and five-year periods with the exception of the Local Authorities' Property Fund which remained in the top quartile over the three-year period.
- All three funds have broadly comparable volatility to the peer group.

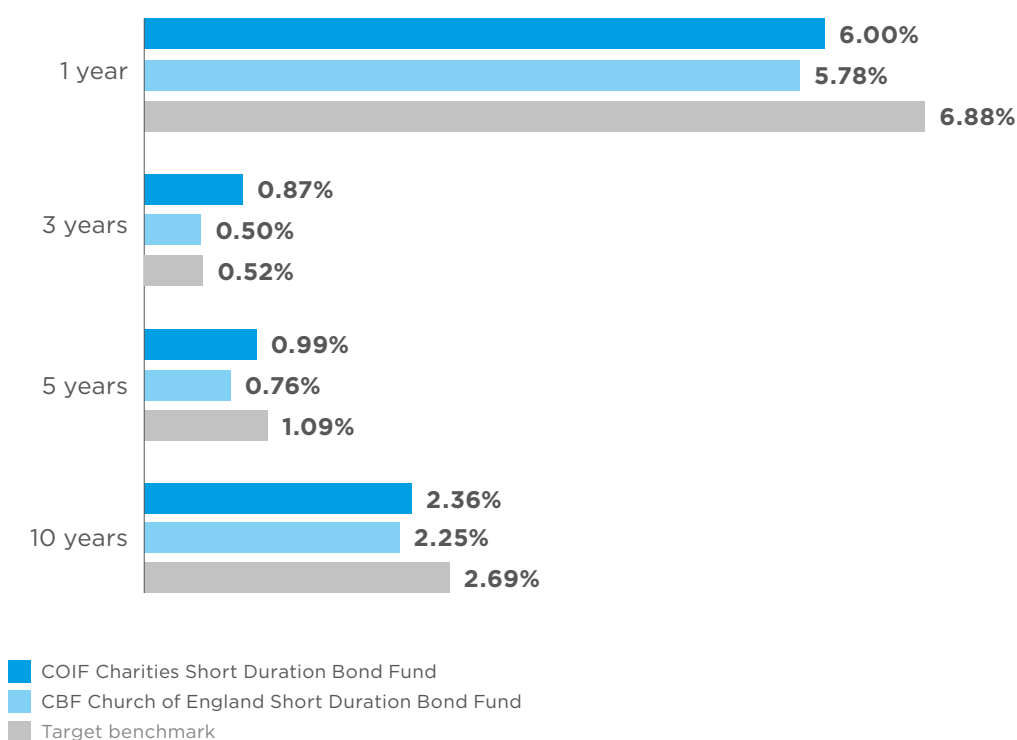
2024 was a more stable year for UK property investment and performance over the year improved. While the funds delivered negative returns over the three-year period, they were ahead of the comparator.

Since the recommended holding period for the funds is at least five years, the boards feel it is appropriate to put more emphasis on the review of performance over the longer-term time periods and concluded that the funds have delivered value and should be rated as green as a result.

## Cash and bonds

●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Short Duration Bond Fund

### Annualised performance (as at December 2024)



Source: CCLA. Performance shown after management fees and other expenses with income reinvested. Target benchmark: from 27.07.22 SONIA plus 1.75% per annum. To 26.07.22 Markit iBoxx £ Gilts 50% and Markit iBoxx £ Non-Gilts 50%. The CBF Church of England Short Duration Bond Fund and the COIF Charities Short Duration Bond Fund had their investment objective and policy changed with effect from July 2022, therefore past performance before that date was achieved under circumstances that no longer apply. **Past performance is not a reliable indicator of future results.**

These bond funds have been grouped together as they share a common investment objective and target benchmark.

#### **Investment objective**

The fund aims to generate a total return (income plus capital growth) of cash (represented by SONIA<sup>2</sup>) plus 1.75% per annum (net of fees and expenses) when measured over a rolling three-year period.

There is no guarantee that the investment objective of the fund will be achieved over any time period. Capital is at risk.

#### **Target benchmark**

The funds' performance can be assessed by reference to the target benchmark, SONIA plus 1.75% per annum.

#### **Recommended holding period**

At least three years

#### **Summary of our assessment**

Taking into account the change of strategy in 2022, the performance of the funds since that date and relative to their target benchmark has been satisfactory. The boards concluded that the funds have delivered value and should be rated as green as a result.

<sup>2</sup> Sterling Overnight Index Average (SONIA). Reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.

## Cash and bonds (continued)

●	COIF Charities Deposit Fund
●	CBF Church of England Deposit Fund
●	Public Sector Deposit Fund

These deposit funds have been grouped together as they share a common investment objective and comparator benchmark.

### Investment objective

#### COIF & CBF Deposit Funds

To provide a high level of capital security and a competitive yield/rates of interest.

#### Public Sector Deposit Fund

To maximise the current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of high-quality sterling denominated deposits and instruments.

### Comparator benchmark

SONIA

### Recommended holding period

No minimum

### Summary of our assessment

The boards have concluded that the funds continue to offer value by reference to their performance.

The funds aim to provide a rate of return on investment, consistent with their primary aim of maintaining capital, while ensuring that the fund's assets can be bought or sold easily in the market under normal market conditions.

The Public Sector Deposit Fund outperformed its comparator benchmark in 2024 while the COIF Charities Deposit Fund and CBF Church of England Deposit Fund were slightly behind the comparator benchmark. All three funds have produced a positive return while also delivering on their objectives of capital preservation and liquidity.

- **COIF Charities Deposit Fund:** Over the reporting period the fund achieved a total annual return after expenses of 5.08%; the return of the comparator benchmark, SONIA, was 5.23%. As of 31 December 2024, the fund's declared yield was 4.60%.
- **CBF Church of England Deposit Fund:** Over the reporting period the fund achieved a total annual return after expenses of 5.18%; the return of the comparator benchmark, SONIA, was 5.23%. As of 31 December 2024, the fund's declared interest rate was 4.60%.
- **Public Sector Deposit Fund:** Over the reporting period the fund achieved a total return after expenses of 5.24%; the return of the comparator benchmark, SONIA, was 5.23%. As of 31 December 2024, the fund's declared yield was 4.75%.

The boards concluded that all three funds have delivered value considering their investment objectives and should continue to be rated as green.

### 3. Authorised fund managers' costs

Are the costs and charges investors pay for funds and services reasonable?

#### Authorised fund managers' costs

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

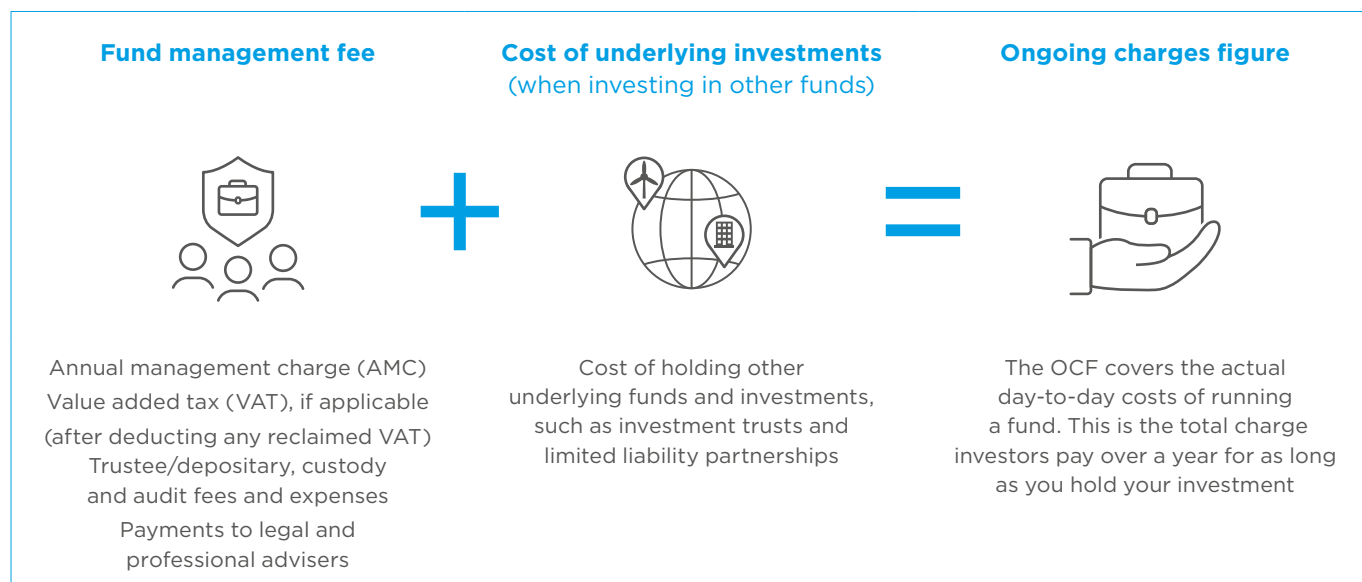
#### How have we assessed the cost of funds?

In reviewing costs, the boards have analysed the following:

1. The costs of management relative to the fund's charges.
2. The level of fund outperformance we are expecting to generate over the long term against its comparator benchmark (or target benchmark where relevant) and the level of costs charged to the fund relative to this.
3. The composition of total costs and charges levied on the funds.
4. The overall profitability of CCLA and whether it earns abnormally high profit margins.
5. Whether the multi-asset and equities funds are being actively managed.

For this year's assessment of value, CCLA has amended the cost allocation model to allocate more accurately its costs across the fund range. For example, the sustainability team's activities were more appropriately apportioned across the CCLA fund range in proportion to time commitments.

A portion of CCLA's costs is fixed in nature, other costs vary with number of clients, type of service and by number of products, in addition to the size of a fund. This allows for a more detailed assessment of the costs of managing a fund and how this compares to its management charges. The boards note that several important allocation assumptions have been made in order to estimate the costs per fund.



#### How are costs and charges applied on CCLA's funds?

Investors in CCLA's funds benefit from access to professionally managed and diversified portfolios of investments, with ongoing administrative and operating services. A number of costs and charges are deducted from the funds in return for these services.

We continue to search for efficiencies and monitor the fees CCLA charges across all existing and new funds to ensure benefits are shared appropriately.

The typical components of the ongoing charges figure (OCF) are shown in the illustration above.

#### Active management

The boards have reviewed whether the multi-asset and equity funds are actively managed using the following statistical measures over one-year, three-year, five-year and ten-year periods:

- correlation of performance with that of a fund's comparator benchmark
- volatility of a fund's returns relative to that of its comparator benchmark
- overlap of the portfolio between a fund and its comparator benchmark.

## Summary of our assessment

Using the metrics outlined in this section, the boards review the costs and charges in the funds against internal thresholds in addition to discussing the wider purpose of the funds, detailed below, to determine a value rating.

The boards are satisfied that the charges paid by clients are transparent and reasonable across the fund range. We would highlight that:

- CCLA discloses its costs and charges, broken down by component, prominently on its website. Please see page 36 for the costs and charges associated with CCLA's funds.
- Our cost allocation model continues to indicate that two of the property funds have higher margins than other CCLA funds.
- The expectation of the boards is that CCLA maintains a range of funds for each of its key distribution channels, so investors have a choice of different risk and return profiles. Many investors hold multiple funds across the range and investor cross holdings are significant.

- The fact we have some funds that are calculated to be more profitable enables us to manage those with little or no margin, but which are important components of our fund range (for example, the deposit funds).
- The boards also aimed to determine whether the multi-asset and equity funds are actively managed and do not simply track index returns. The funds in scope passed the internal thresholds on the relevant statistical measures and the boards are satisfied that these funds' charges are consistent with an active management approach and are not passively tracking an index.

The data reinforces CCLA's knowledge of the investment process for these funds: use of ethical screens and exclusions, bottom-up stock selection, with a focus on quality stocks, and strategic and tactical asset allocation decisions.

Overall, total charges are not considered excessive relative to the costs of managing the funds.

This year, the boards have determined that all funds have delivered value in relation to this criterion and remain rated as green.

## 4. Economies of scale

Have CCLA or the funds CCLA manages achieved economies of scale and have these been passed on to investors?

### Economies of scale

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

### How have we assessed economies of scale?

CCLA has reviewed to what extent economies of scale have been achieved at a firm and fund level and, if so, whether these have been shared with investors.

There are a number of instances where economies exist: typically, fund ongoing charges figures (OCFs) will decline with scale as fixed administrative expenses are amortised over a larger fund base.

However, these are limited as CCLA absorbs many of the administrative expenses of managing the funds out of its own fees. Growth therefore attracts fewer economies than for a manager who charges such expenses to their funds.

Rates for fund administration services, provided by third parties, are negotiated by CCLA. We believe the fees paid are market competitive and include a sliding scale on depository fees for increased fund sizes. These economies are passed onto investors in the funds.

Where CCLA has to deal in the markets on behalf of the funds, investment trading costs are kept to a minimum by executing the same trade across several funds. The order management system infrastructure brings economies of scale to multiple funds and volume trades.

We have also reviewed the extent to which the costs incurred directly by CCLA to act as manager to the funds (as provider of investment services, distribution, client support and certain management or operational functions) experience economies of scale.

### Summary of our assessment

From our analysis it is apparent that at a firm-wide level, CCLA has not benefited from significant economies of scale: the growth of the company has not led to a material decrease in costs; as we have invested in the business and the infrastructure to support our clients.

From a fund perspective, using a cost allocation model, we have reviewed how fund costs vary with size. We have also analysed how costs change within a fund with further growth. This analysis indicates that where CCLA has achieved economies of scale at a fund level, these are relatively modest beyond a certain volume of assets. Fund growth leads to limited reduction in CCLA's own costs. However, we acknowledge that this is in part a function of how costs are allocated within the model, as a relatively high proportion of CCLA's costs is allocated to the funds based on the assets under management. Nevertheless, where economies appear to exist, we do not pass them on to investors by way of sliding scales on annual management charges.

The rationale for not doing so is that CCLA primarily services three distinct distribution channels – charities, churches and local authorities – and offers a range of funds to the eligible investors in each channel. The boards of trustees that represent the investors in each of these channels specifically request that we offer a cross-section of funds, with different risk and reward profiles.

As was outlined in the section on AFM costs, many investors have holdings across several funds. With the support of our boards, we are encouraged to price each fund competitively, regardless of size or the costs of operating these funds. Therefore, within each fund range it is acknowledged that the economies of scale (and greater profitability) of the larger funds allow CCLA to offer the smaller funds to clients at a competitive cost, even when they may be unprofitable for CCLA.

The boards have additionally noted that a significant number of investors in the largest funds also invest in the low or negative margin funds. We continue to believe investors wish to benefit from a range of competitively priced funds even if these funds provide no or limited economic benefit to CCLA.

CCLA continues to monitor the impact of the growth in assets under management on the cost of services provided and CCLA will also continue its engagement with third-party suppliers to negotiate competitive terms.

## 5. Comparable services

How do the costs you pay compare to those paid by clients who access similar services offered by CCLA?

### Comparable services

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

### How have we assessed comparable services?

CCLA offers both pooled funds and segregated investment services. We have compared the costs of both services for all client types to ensure that the charging structures across each fund are fair.

We have reviewed the costs of services applied to each fund and compared these to:

- other CCLA managed funds with similar investment strategies
- charges paid by clients with segregated investment services offered by CCLA.

Our analysis shows that CCLA's management charges for funds have been set at levels that are competitive relative to fees charged for segregated investment services which are marginally more expensive than the net management charge when investing in a fund, after taking into account any rebate offered on the funds for larger investments.

The boards have also considered whether the pooled funds' average management charges are appropriate relative to segregated mandates of similar size. Considering that the costs of servicing the large number of clients in a given pooled fund, relative to a single segregated mandate, are significantly higher, we believe the charging structures are fair.

Fund rebate levels were separately reviewed last year. Following that review the rebates offered to very large investors were reduced (in effect increasing the fees charged to new large investors in the fund). A similar increase was applied to the fees on segregated mandates.

We have reviewed those funds with comparable investment strategies. Typically, these have similar annual management charges. Where they differ, the variations are considered appropriate.

We would note:

- The difference in the AMC between the Public Sector Deposit Fund and the COIF and CBF versions is a function of the more concentrated investor base of the Public Sector Deposit Fund, which significantly reduces associated service costs. However, recognising there is a difference in levels of management charges between the cash funds, CCLA undertook a review of the relative pricing of these funds in 2024 to determine whether the differences are justified. Our findings have concluded that the Public Sector Deposit Fund terms should be updated. Changes to this fund are expected to be made during 2025 to align the funds more fairly from a comparable value perspective.
- We believe the lower AMC on the CBF Church of England Investment Fund in comparison to the COIF Charities Investment Fund continues to be justified by the greater marketing and sales effort required to support a more disparate charity investor base.

- The CBF Church of England Global Equity Fund incurs a lower AMC than the COIF Charities Global Equity Fund. A reduction in the AMC for the CBF Church of England Global Equity Fund was implemented at the time it was converted into a feeder fund to the CCLA Better World Global Equity Fund. The reduction was implemented to compensate investors in CBF Church of England Global Equity Fund for the loss of certain tax benefits.

With respect to administrative expenses, depository and custodian rate cards for the equity, short duration bond and multi-asset funds are the same. For these funds, any difference in other costs can largely be accounted for by the impact of larger funds on any fixed expenses.

### Summary of our assessment

The boards have concluded that CCLA offers value to all client types when compared across CCLA's product offering.

Where rebates are offered to investors in a fund range, our analysis indicates that smaller investors are not being disadvantaged. Small investors are charged a fee which is competitive given the costs of client servicing relative to larger investors.

CCLA regularly monitors the funds' charges to ensure they remain reasonable relative to those paid by other clients accessing comparable CCLA products and services.

## 6. Comparable market rates

How do CCLA's costs compare to those of similar funds offered by other fund managers?

### Comparable market rates

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

### How have we assessed comparable market rates?

The boards have reviewed the annual management charges and ongoing charges figures of each unit/share class in the funds against comparable funds (using the relevant IA sector). The boards looked at data showing these charges versus fund size, with a quartile ranking showing the position of CCLA's funds against the sector.

### Summary of our assessment

The CCLA funds were mostly in the top two (lowest charges) quartiles against their comparable IA sector. While the Public Sector Deposit Fund was in the top quartile against peers, the COIF Charities Deposit Fund and the CBF Church of England Deposit Fund were in the last quartile (they had higher charges

than the rest of the sector). However, it is important to note that many money market or deposit funds have high minimum investments or require platform fees to be incurred in order to access the lowest fee share classes. The COIF and CBF deposit funds can be accessed directly with small initial investments. When investment minima and platform fees were considered, the funds were considered competitive against comparable unit/share classes that could be accessed by investors.

Against the internal metrics, the boards have concluded that when comparing both the AMC and the OCF paid by clients in the CCLA funds to similar funds in comparable IA sectors, the CCLA range offers value, and all funds are rated as green.

CCLA regularly reviews the fees and costs charged to clients for investing in our funds.

## 7. Classes of units/shares

Are you invested in the most appropriate unit/share class and are differences in share or unit class costs justified?

### Classes of units/shares

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
●	COIF Charities Property Fund
●	CBF Church of England Property Fund
●	Local Authorities' Property Fund
●	COIF Charities Deposit Fund
●	COIF Charities Short Duration Bond Fund
●	CBF Church of England Deposit Fund
●	CBF Church of England Short Duration Bond Fund
●	Public Sector Deposit Fund

### How have we assessed classes of units/shares?

For its charity, church, and local authority clients, CCLA does not generally have multiple classes. Instead (and where permitted by the fund trustees), some of its funds offer these clients access to a lower management fee through a rebate arrangement directly with CCLA. We have reviewed the level of any rebates offered relative to the costs of servicing clients of different sizes, and as noted in the section on comparable services, believe that the net charges, experienced by investors of different sizes, after the application of any rebates, are fair.

Both income and accumulation unit/share classes are offered for most funds – a choice for each client based on whether they would prefer to receive periodic distributions of income or choose to have their income earned automatically reinvested. CCLA has reviewed these unit/share classes for each fund and confirm there are no differences between the costs and charges and that the minimum investment requirements are the same.

For funds with multiple unit/share classes, assessment is explained below.

### **The Public Sector Deposit Fund**

The Public Sector Deposit Fund currently has three active share classes: 1, 3 and 4. The publicly available share class 3 was opened in 2023 with the same annual management charge as share class 4. This share class is open to anyone, which is not the case for share class 4, which is open to public sector investors only. Other than the target market, there is no difference between share classes 3 and 4. Share class 1 is for use by CCLA and its other funds and has a 0% AMC to avoid double charging.

### **CCLA Better World Global Equity Fund**

The CCLA Better World Global Equity Fund has two publicly available share classes, with annual management charges linked to the size of minimum investment.

The C share class, offered in both income and accumulation shares, has an annual management charge of 0.65% and a minimum investment of £1,000. The I share class, offered in both income and accumulation shares, has an annual management charge of 0.55% and a target minimum investment of £20 million.

We believe that the pricing of these share classes is appropriate given the relative costs of servicing clients with different minimum investment levels.

For both funds, where it is identified that investors may be in an incorrect share class CCLA plans to take steps to address this.

### **Summary of our assessment**

Income and accumulation classes are generally sufficient for the needs of CCLA's main client base. Both types of units/shares are monitored to ensure there is no material difference in cost, performance, or barriers to entry between them.

For CCLA's retail funds, the boards are comfortable that the difference in annual management charge between share classes reflected by the size of minimum investment is appropriate.

## 8. ESG metrics

How have CCLA's multi-asset and equities funds performed against the ESG characteristics of the companies in relevant indices?

### ESG metrics

●	Catholic Investment Fund
●	COIF Charities Ethical Investment Fund
●	COIF Charities Investment Fund
●	CBF Church of England Investment Fund
●	CCLA Cautious Multi-Asset Fund
●	COIF Charities Global Equity Fund
●	CBF Church of England Global Equity Fund
●	CCLA Better World Global Equity Fund
●	CBF Church of England UK Equity Fund
NR	COIF Charities Property Fund
NR	CBF Church of England Property Fund
NR	Local Authorities' Property Fund
NR	COIF Charities Deposit Fund
NR	COIF Charities Short Duration Bond Fund
NR	CBF Church of England Deposit Fund
NR	CBF Church of England Short Duration Bond Fund
NR	Public Sector Deposit Fund

### How have we assessed ESG metrics?

CCLA has included ESG metrics as a category of assessment although there is currently no specific FCA assessment of value requirement for firms to publish any metrics related to ESG or sustainability. CCLA has chosen to include this as it is integral to our value proposition.

CCLA actively engages with a number of the companies held in the relevant funds' portfolios. This focusses activities on listed-equity holdings and is therefore primarily applicable to the equity funds, or those with an equity component such as the multi-asset funds. Following the implementation of the FCA's Sustainability Disclosure Requirements, we have made the sustainability approach of our funds more transparent. Given that the focus of the sustainability approach for the property, deposit and short duration bond funds is exclusions-based, the boards have determined not to rate them for ESG purposes.

For the remaining funds, the assessment involves a review of the ESG characteristics and assessing the corporate governance ratings against a comparator index, and reviewing the carbon emissions and ESG risk ratings of the funds.

CCLA recognises the importance of credible industry standards such as the Principles for Responsible Investment's annual assessment process and the Financial Reporting Council's Stewardship Code. As a signatory to both, our approach is assessed annually and is available on our website.

### Summary of our assessment

The multi-asset and equities funds have demonstrated good performance against the internal metrics used. The boards have therefore determined that all funds are rated as green.

# Charges to investors

As at December 2024

Fund name	Annual management charge (AMC)	Other costs	Fund management fee (FMF) <sup>3</sup>	Cost of underlying investments (when investing in other funds) <sup>4</sup>	Ongoing charges figure (OCF)	Portfolio transaction costs <sup>5</sup>
<b>Multi-asset funds</b>						
Catholic Investment Fund	0.60%	0.04%	<b>0.64%</b>	0.14%	<b>0.78%</b>	0.16%
COIF Charities Investment Fund	0.60%	0.08%	<b>0.68%</b>	0.18%	<b>0.86%</b>	0.16%
COIF Charities Ethical Investment Fund	0.60%	0.07%	<b>0.67%</b>	0.18%	<b>0.85%</b>	0.15%
CBF Church of England Investment Fund	0.55%	0.06%	<b>0.61%</b>	0.12%	<b>0.73%</b>	0.17%
CCLA Cautious Multi-Asset Fund (class C shares) (estimated) <sup>6</sup>	0.60%	0.04%	<b>0.64%</b>	0.20%	<b>0.84%</b>	0.21%
<b>Equity funds</b>						
COIF Charities Global Equity Fund	0.75%	0.05%	<b>0.80%</b>	0.00%	<b>0.80%</b>	0.17%
CBF Church of England Global Equity Fund	0.60%	0.02%	<b>0.62%</b>	0.03%	<b>0.65%</b>	0.19%
CBF Church of England UK Equity Fund	0.50%	0.14%	<b>0.64%</b>	0.03%	<b>0.67%</b>	0.08%
CCLA Better World Global Equity Fund (class C shares)	0.65%	0.03%	<b>0.68%</b>	0.00%	<b>0.68%</b>	0.19%
CCLA Better World Global Equity Fund (class I shares)	0.55%	0.03%	<b>0.58%</b>	0.00%	<b>0.58%</b>	0.19%
<b>Property funds</b>						
COIF Charities Property Fund	0.65%	0.16%	<b>0.81%</b>	0.00%	<b>0.81%</b>	0.45%
CBF Church of England Property Fund	0.65%	0.13%	<b>0.78%</b>	0.00%	<b>0.78%</b>	0.45%
Local Authorities' Property Fund	0.65%	0.08%	<b>0.73%</b>	0.00%	<b>0.73%</b>	0.39%
<b>Cash and bond funds</b>						
COIF Charities Deposit Fund	0.20%	0.05%	<b>0.25%</b>	0.00%	<b>0.25%</b>	0.00%
COIF Charities Short Duration Bond Fund	0.22%	0.08%	<b>0.30%</b>	0.00%	<b>0.30%</b>	0.06%
CBF Church of England Deposit Fund	0.20%	0.05%	<b>0.25%</b>	0.00%	<b>0.25%</b>	0.00%
CBF Church of England Short Duration Bond Fund	0.22%	0.11%	<b>0.33%</b>	0.00%	<b>0.33%</b>	0.04%
Public Sector Deposit Fund (class 3 and 4)	0.08%	0.00%	<b>0.08%</b>	0.00%	<b>0.08%</b>	0.00%
Public Sector Deposit Fund (class 5)	0.20%	0.00%	<b>0.20%</b>	0.00%	<b>0.20%</b>	0.00%

<sup>3</sup> The fund management fee (FMF) includes CCLA's annual management charge (AMC), VAT payable thereon where applicable (including any VAT reclaims received during the accounting period that the FMF is based on), and other costs and expenses of operating and administering the fund such as trustee/depositary, audit, custody, legal, regulatory and professional fees, and may include other charges such as Fitch Rating fees if applicable.

<sup>4</sup> The cost of underlying investments captures pro-rata costs incurred in other funds or similar investments (e.g. investment trusts, LLPs) in which CCLA invests.

<sup>5</sup> Portfolio transaction costs include direct fund transaction costs (such as commissions/taxes and market impact/slippage) plus the pro-rata amount of portfolio transaction costs incurred in other funds or similar investments (e.g. investment trusts, LLPs) which the CCLA fund invests in.

<sup>6</sup> Estimations are used for new fund launches to give a best estimate of the costs and charges to be incurred on an investment in the fund within at least the first year of launch. In addition to fixed costs such as the AMC, variable costs such as transaction fees are also incurred. We use past actual comparable data for estimating costs and charges. The fund was renamed to CCLA Cautious Multi-Asset Fund from CCLA Better World Cautious Fund with effect from 2 December 2024.

# Board profiles

## CCLA Investment Management Limited and CCLA Fund Managers Limited

### Non-executive directors

#### **Richard Horlick\***

Chair of CCLA Investment  
Management Limited

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Richard has over 40 years' investment management experience in both the UK and the US. After spending three years in corporate finance at Samuel Montagu & Co, Richard joined Newton Investment Management in 1984 as Director of Pension Portfolios.

In 1994, Richard became President of Institutional Business at Fidelity International Ltd (UK) until 2001 when he was made Chief Executive and President of Fidelity Management Trust Co, the Trust Bank of the Fidelity mutual funds in the US and the US institutional business. He then became a main Board Director of Schroders plc following his appointment as Head of Investment Worldwide and Chief Executive of Schroder Investment Management Ltd from 2002 to 2005.

Richard has held numerous non-executive roles. He was appointed non-executive director and Chair of CCLA in January 2017.

#### **Jonathan Jesty\***

Chair of the Audit and Risk Committee  
and Director of CCLA Investment  
Management Limited

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Jonathan has over 35 years' corporate, professional services and regulatory experience in the financial services industry. Jonathan has worked in asset management throughout his career, most recently at Schroders as Global Head of Compliance until he retired from his executive career in 2018. He was for many years an audit and advisory partner at KPMG.

Jonathan graduated with an MA from Cambridge University, qualified as a chartered accountant, and holds an MBA from London Business School. He is non-executive director McInroy and Wood Portfolios Limited. Jonathan joined the board of CCLA as a non-executive director in April 2020 and is Chair of the Audit and Risk Committee.

Board profiles as at 31 December 2024.

\*Indicates independent non-executive directors.

#### **Christine Johnson**

Director of CCLA Investment  
Management Limited

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Christine was Senior Fund Manager and Head of Fixed Income at Old Mutual Global Investors until 2017. Previous fund manager appointments include HSBC and Investec. She was appointed to the Board of Invesco Enhanced Income Limited in 2019 (now Invesco Bond Income Plus Limited), the Board of Golden Charter Trust in 2020 and the Boards of First Sentier Investors FSI EH, FSI UKS, FSI UKI, and FSI IIM in 2021.

Christine was appointed as a trustee director to the CBF Funds Trustee board in November 2017. She joined the board of CCLA Investment Management Limited as non-executive director in June 2018.

#### **Christopher West**

Director of CCLA Investment  
Management Limited

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Chris joined the board of CCLA Investment Management as a non-executive director in April 2021. Chris spent most of his career working in local authorities in a range of roles but specialising in finance.

He is a fellow of the Chartered Institute of Public Finance and Accountancy (CIPFA) and has been Secretary and President of the Society of Municipal Treasurers. Prior to taking early retirement in 2017, he spent 10 years as Director of Finance/Resources at Coventry City Council. Since leaving Coventry he has established a consultancy company specialising in local government finance working for clients including CIPFA, the Local Government Association, the Department for Education and individual councils.

Chris also has had a portfolio of non-executive director roles in the charity and private sectors. Currently he is Chair of the Heart of England Community Foundation. In March 2021 Chris was appointed to the board of the Local Authorities' Mutual Investment Trust (LAMIT) and as the LAMIT nominee on the board of CCLA Investment Management Limited.

**Julia Hobart**

Director of CCLA Investment Management Limited

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Julia is the COIF Shareholder Representative Director on the CCLA Investment Management Board, which she joined in October 2021.

After 18 years as a partner at Oliver Wyman and over 30 years working in the investment industry as a portfolio manager, an investment consultant, and latterly as a strategy consultant, Julia recently stepped down from full-time consulting. She remains associated with Oliver Wyman as Partner Emeritus, working on projects with them from time to time. In addition to this and her COIF and CCLA roles, Julia serves on the Advisory Council for the Diversity Project and on the Advisory Board for Remuneration Associates, a remuneration consulting firm.

Julia started her career at SG Warburg, becoming a portfolio manager for its asset management subsidiary, Mercury Asset Management (now BlackRock). She moved to Mercer to head their Investment Consulting business in Continental Europe and went on to lead Mercer's Manager Advisory practice before transitioning the business to Oliver Wyman. Julia has an MA in Mathematics & Computer Science from Cambridge University.

Julia joined the COIF Charity Funds as a director in August 2015.

**Ann Roughead\***

Chair of the Remuneration and Nominations Committee and Director of CCLA Investment Management Limited

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Ann is a non-executive director and Chair of the Customer Focus committee at Columbia-Threadneedle Investments. She is also Chair of Handelsbanken ACD.

Ann is the Consumer Duty champion for CCLA, Columbia Threadneedle Investments and Handelsbanken ACD. Ann is also on the board of the Rock Trust, a youth homeless charity.

She has over 30 years of experience in the investment and finance sector. Previous board positions include BNY Mellon Investments, Lighthouse Group PLC, Funds Rock Partners and the Rugby Players Association. She has chaired audit, risk and remuneration committees. In her executive career she was CEO of LV= Asset Management and CEO of Ellis Clowes & Company, a London-based Lloyds Insurance Broker. At Citi she was Chief Operating Officer of the Private Bank (Europe), Head of Smith Barney (Europe), Head of Investment for Citi's Retail Bank and Head of UK Wealth Management and Banking. She was Head of European Product Development and Strategy for JP Morgan Asset Management.

She is qualified as a solicitor and is a member of the Ethics Committee of the Chartered Institute of Securities and Investments (CISI). Ann joined the board of CCLA in April 2020 as an independent non-executive director.

Board profiles as at 31 December 2024.

\*Indicates independent non-executive directors.

**Nicholas McLeod-Clarke\***

Director of CCLA Fund Managers Limited

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Nicholas joined the board of CCLA Fund Managers (CCLA FM) Limited as a non-executive director in 2023 and is the Consumer Duty Champion for the CCLA FM board. Nicholas had a long career, over 30 years, as a Fund Manager, specialising in UK equities. He worked for a number of investment companies and spent the past 17 years of his investing career at BlackRock where, latterly, he was responsible for the investment trust and charities businesses. Since he retired, Nicholas has been on the board of two charities: The Land Trust (ex), Racing Welfare (current) and until April 2025, he was an adviser to the Nursing and Midwifery Council. Nicholas holds an MSc in finance from the London Business School and a BA in economics from University College Swansea.

**Jon Bailie\***

Chair of CCLA Fund Managers Limited

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Jon joined CCLA in 2023 and is non-executive chair of CCLA FM. He has over 35 years' experience in the investment management industry and in addition to his role at CCLA FM he also serves as the non-executive chair of NFU Mutual Unit Managers Limited and as a non-executive director of the National Farmers Union Mutual Insurance Society.

In his executive career Jon held senior management and client-facing roles at Pioneer Global Asset Management, AXA Investment Managers, Pantheon Ventures and Russell Investments as well as investment roles at Russell Investments and Whittingdale Limited. Jon holds an MBA from the University of Kansas and a BSc in physics from Imperial College.

**Rebecca Fuller\***

Director of CCLA Fund Managers Limited

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Rebecca joined CCLA in 2024 as a non-executive director of CCLA FM. Rebecca has over 25 years of experience in financial services in both asset management and investment banking where she has focussed on regulatory and operational risk, legal and compliance.

Rebecca is also the independent chair and a non-executive director of Bank of Montreal Capital Markets Limited and a non-executive director of Goldman Sachs Asset Management International. Previously, Rebecca was independent chair and non-executive director of Columbia Threadneedle Investments, independent chair of CBOE Europe Limited, the largest pan-European equities exchange where she had also chaired the audit, risk and compliance committee and an independent non-executive director of London Capital Group plc.

In her executive career, Rebecca was general counsel and head of compliance at Citadel Investment Group (Europe) and a director of Citadel Securities (Europe) Limited. In her earlier career, Rebecca's roles included in house counsel at Lehman Brothers International (Europe) Limited and finance practice lawyer at Clifford Chance. Rebecca trained as a solicitor at Freehills in Melbourne, Australia where she also worked as Associate to the Chief Justice of the Federal Court. Rebecca also qualified as a solicitor in the UK. She holds an M.Juris in European and Comparative Law from Balliol College, Oxford. Rebecca has a bachelor of laws degree and a bachelor of arts degree in French and economics from the University of Queensland, Australia.

Board profiles as at 31 December 2024.

\*Indicates independent non-executive directors.

## Executive directors

### **Peter Hugh Smith**

Chief Executive and Director of  
CCLA Investment Management Limited

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Peter was appointed Chief Executive of CCLA in July 2019 and is responsible to the CCLA board for the overall performance of the business and quality of our service for clients.

He has over 30 years' experience in the investment management industry, most recently as Managing Director of the fund services business Link Fund Solutions. His experience has ranged from wholesale relationship management at Russell Investments to establishing an asset management business for Hong Kong conglomerate Seapower.

He started his career as a fund manager at Capel-Cure Myres in 1991. He is also a trustee of Mary Ward Loreto (UK), a charity tackling the problem of human trafficking in and from Albania.

### **David Sloper**

Head of Product and Chief Executive  
of CCLA Fund Managers Limited

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David was appointed Chief Executive of CCLA Fund Managers Limited in 2021 and is responsible to the CCLA board for the overall performance of the business and quality of service for clients.

He is also Head of Product at CCLA Investment Management Limited, having joined CCLA in November 2020.

He has more than 35 years' experience in the financial services industry, most recently as Head of Product at BMO Global Asset Management. His experience includes fixed income trading and investment management at Abbey National Treasury Services and BMO Capital Markets London.

### **Elizabeth Sheldon**

Chief Operating Officer and Director of  
CCLA Investment Management Limited  
and CCLA Fund Managers Limited

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Elizabeth is responsible for all financial and operational matters at CCLA on behalf of clients. She was appointed Chief Operating Officer of CCLA in November 2018. Having qualified as a chartered accountant with an audit practice specialising in the not-for-profit sector, Elizabeth joined the financial services audit team at Ernst and Young. From there she moved on to Man Group working in a number of areas including operations and a large outsourcing project.

Elizabeth is fellow of the Institute of Chartered Accountants and has a BSc in geography from University College London. Elizabeth is also the Chair of the Donkey Sanctuary's Finance and Investment Committee. She was appointed as an executive director of CCLA in December 2018.

Board profiles as at 31 December 2024.

\*Indicates independent non-executive directors.

**Andrew Robinson MBE**

Director, Market Development and Director of CCLA Investment Management Limited

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Andrew is responsible for marketing and sales, client relationship management, service and public affairs at CCLA.

Previously he was the Head of Community Development Banking for RBS and NatWest. He was the founding director of the UK's first loan fund for voluntary and community organisations working in the UK's most disadvantaged communities.

Prior to these roles he worked for the Royal Bank of Canada, the St Paul's Hospital Foundation, and the Canadian Arthritis Society.

Currently Andrew is an adviser to Switchback. Previously he was a trustee at RBS Social & Community Capital; Chair of the Community Development Foundation; Vice Chair at LankellyChase Foundation; trustee at Local Trust; and trustee at Locality, having been a trustee of both the Development Trusts Association and British Association of Settlements & Social Action Centres.

He is a fellow of the Royal Society of the Arts and was recognised with an MBE for services to community and social enterprise in 2003. He was appointed as an executive director of CCLA in 2006.

**Jasper Berens**

Head of Client Relationships and Distribution and Director of CCLA Fund Managers Limited

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Jasper is responsible for the client relationship team and distribution.

Jasper has 28 years of experience working with UK financial intermediaries. He began his career in fund sales at Hambros Fund Management focused very much on investments. Later, Jasper went on to head up the UK fund management business for JPMorgan Asset Management where he was responsible for the distribution of JPMorgan's investment capability including sales, marketing, product, PR, business strategy and business management in the UK. At Artemis, as Global Head of Distribution, he added institutional clients and European clients, further expanding his knowledge.

Jasper is a non-executive director at One Nine Four Group and was previously a board member of the Investment Association. He was appointed as an executive director of CCLA in 2023.

## Important information

This document is not a financial promotion and is issued for information only. It does not provide financial, investment or other professional advice.

To make sure you understand whether a CCLA product is suitable for you, please read the relevant funds' key (investor) information document and the prospectus or scheme particulars (as appropriate) and consider the risk factors identified in those documents. CCLA strongly recommend you get independent professional advice before investing.

Past performance is not a reliable indicator of future results. The value of investments and the income from them may fall as well as rise. You may not get back the amount you originally invested and may lose money.

Any forward-looking statements are based on our current opinions, expectations and projections. We may not update or amend these. Actual results could be significantly different than expected.

CCLA Investment Management Limited (registered in England and Wales number 2183088) and CCLA Fund Managers Limited (registered in England and Wales number 8735639), whose registered address is One Angel Lane, London EC4R 3AB, are authorised and regulated by the Financial Conduct Authority.

# CCLA

BECAUSE GOOD IS BETTER