

QUARTERLY BULLETIN

30 September 2019

Interest rates – further to fall?

A year ago, against a backcloth of steady economic growth, investor expectations were that global interest rates would increase. In fact, in the US, rates did rise for a time and both the European Central bank and the Bank of England advised markets that they would shortly follow suit. Just a few months later the position changed completely; doubts over the sustainability of the economic expansion and a sharp fall in equity markets forced central banks to undertake a major revision of their policies. In a dramatic change of stance, they reversed their positions and instead of raising borrowing costs they promised to cut them, even though by historic standards rates were already at near record lows.

The volte - face by the monetary authorities had a powerful and positive effect on investment markets and consumer behaviour. Equities rallied sharply and fixed interest markets, already on low yields, saw yields fall even lower. The shift down resulted in some \$17trn of global bonds moving on to negative yields. Siemens, the German manufacturer, successfully launched a bond paying no interest at all and, in the consumer area, a Danish Bank offered a nil - rate, 20-year mortgage. Any investor buying a bond on a negative yield can only earn a positive return if the price rises, pushing the yield even further into negative territory. That so many were prepared to hold them on this basis revealed strong expectation amongst investors that, low as they were, interest rates would fall again.

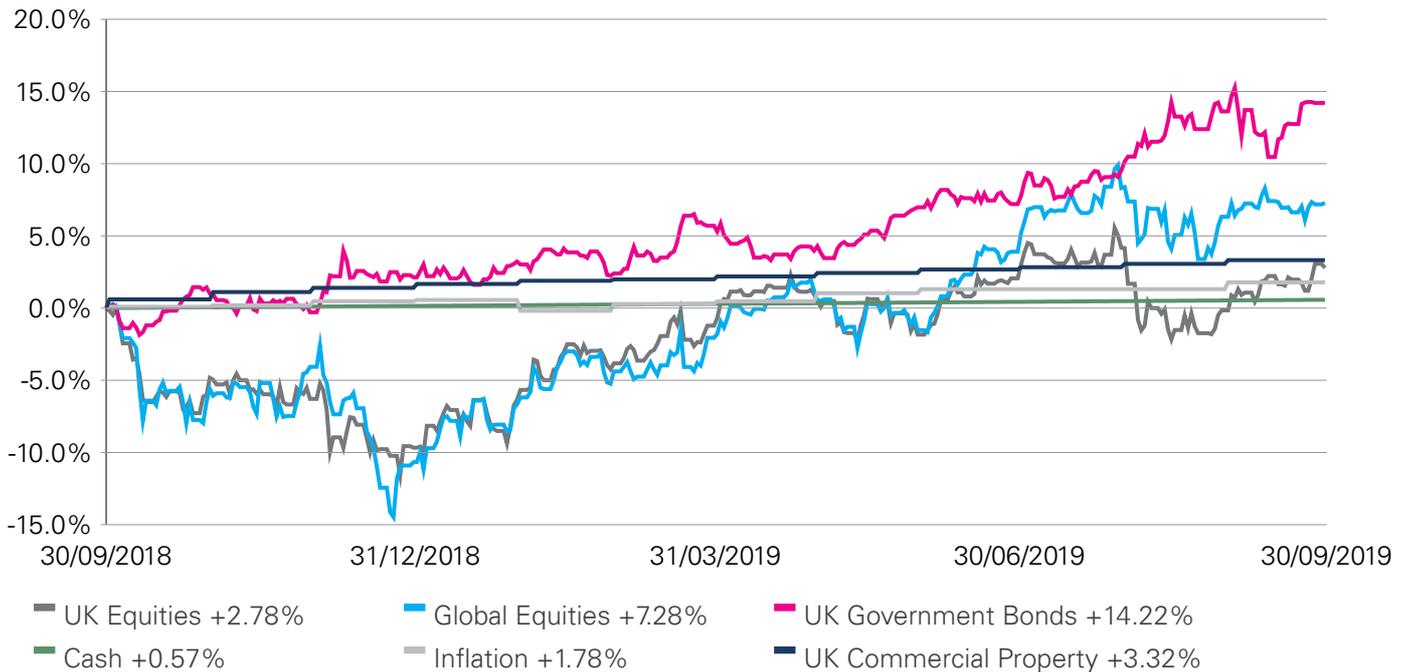
The problem for governments is that, in an economic upswing as mature as this one, if activity slows fresh sources of stimulus are hard to find. In the early stages of the recovery, a decade ago, a plentiful supply of low-cost credit had major beneficial effects, boosting disposable consumer income and improving sentiment by pushing asset prices higher. The hope now is that reducing rates again and keeping them low for an extended period, will bring similar benefits. The problem is that when interest rates are already so low, the net benefits of cutting them further is less certain, particularly in countries such as Japan and parts of Europe where deposit rates are below zero. In fact, there are some significant potential negatives. Savers see their income fall, impacting on spending, pension funds and insurance companies are forced to take more risk to match their liabilities and bank reserves, kept at the central bank, are eroded by the effect of negative rates on the balances.

Despite these drawbacks it is clear that, given the strong wish to support activity, the simplicity of the approach and well understood processes and procedures involved, lower interest rates are the most likely policy response. Indeed, it may be that we see a further significant shift down in rates. Increasingly in economic circles the talk is of finding the 'effective lower bound,' the point at which the net effects of low borrowing costs become negative. At present the view is that it may be some way below current levels.

In the medium term, low rates on their own are unlikely to be a sufficient support to growth. In time they will need to be augmented, most likely by looser fiscal policies - increased government spending as austerity programmes are brought to a close. Already in the UK the government has pledged an increase in public spending, the Netherlands too has proposed an expansionary budget. We should expect more to follow.

For long-term investors, recent changes in interest rate expectations have left bond valuations at elevated levels which make them a poor match to any real return objective. We continue to see good-quality equities as a superior option. For those with near-term spending needs, cash remains the appropriate choice, despite the frustration of very low returns.

Markets at a Glance - 12 Months to end September 2019



Source: CCLA

Quarterly Market Review & Outlook

Global equity markets rose over the quarter, moving in a narrow trading range for most of the period. Progress was made despite economic data which suggested that the pace of growth in the world economy was slowing. Whilst consumer activity was supported by low unemployment and rising real wages, manufacturing weakened, held back by fears of lower growth to come and, in particular, the negative impact on both sentiment and activity of the trade friction between China and the US. Support to markets came from the move to more accommodative monetary policies, most importantly in the US and Europe, but more broadly too, as a growing number of central banks reduced interest rates. The UK economy remained heavily influenced by 'Brexit' factors. Growth was hesitant and progress poor despite resilient consumer activity; the problem was weak manufacturing and a sharp fall in business investment. Against this background global equities gave a total return to a UK based investor of 3.46%, bringing the return for 2019 to date to 20.47%. Of the major regional indices Japan was the strongest performer with a return of 6.60%. The US market improved by 4.93% and Europe by 1.55%. In contrast to these gains, Asian markets slipped lower, falling by -0.75% as sentiment weakened on trade fears. Once again, the UK market underperformed its international peers, rising by 1.27%, a gain which brings the return so far in 2019 to 14.41% and to 2.78% for the past 12 months.

The domestic fixed interest market improved, rising steadily over the quarter to give a total return of 6.55%. Values were supported by the international shift to lower yields, expectations of buying activity under re-invigorated quantitative easing programmes and increasing expectations that the next move in UK interest rates would be downwards. Government bonds comfortably outperformed the corporate alternatives and

long-dated issues were most in demand. Property values declined again, but the sector's high-income flow kept overall returns positive. The retail sectors have been by far the weakest performers, in contrast industrial asset values have continued to improve, rising for 36 consecutive months. Sterling rallied against the euro, but fell against both dollar and yen.

We expect further growth in the world economy, but at a moderate pace, one below the long-term average. Consumer activity will be supported by low unemployment and wages that are rising in real terms, but concerns continue for the manufacturing. The recent moves to lower interest rates will be helpful, but a stronger and more sustainable upturn will need support from fiscal initiatives.

A background of continued economic growth and very low interest rates should support investment markets. Valuations are full, but despite this, and the threat to sentiment from factors such as trade, we continue to expect rising corporate earnings to result in higher equity values over time. In contrast, the decline in bond yields, which has supported investment markets in recent months, means that the potential returns from the fixed interest sectors are unattractive to most long-term investors.

The Market review, analysis, any any projections contained in this document are the opinion of the author only and should not be relied upon to form the basis of any investment decisions.

Distributions for the Quarter

COIF Charities Fund	Distribution per Income unit	Payment Date	
Investment Fund	12.47p	29/11/19	<ul style="list-style-type: none"> The payment is 4.18% higher than the equivalent payment in 2018. For the year as a whole the payment is expected to be at least 2% higher.
Ethical Investment Fund	2.03p	29/11/19	<ul style="list-style-type: none"> The payment is 3.57% higher than the equivalent payment in 2018. For the year as a whole the payment is expected to be at least 2% higher.
Global Equity Income Fund	1.64p	29/11/19	<ul style="list-style-type: none"> The payment is unchanged from the equivalent payment in 2018.
Property Fund	1.63p	29/11/19	<ul style="list-style-type: none"> The payment is unchanged from the equivalent payment in 2018.
Fixed Interest Fund	1.11p	29/11/19	<ul style="list-style-type: none"> The payment is unchanged from the equivalent payment in 2018.

Rates for the Quarter

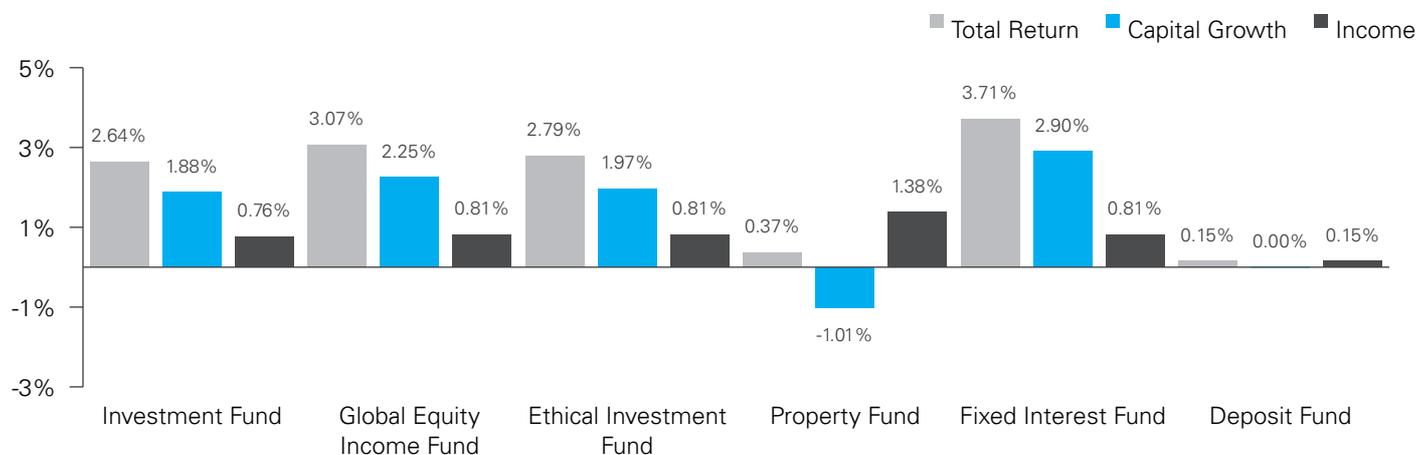
COIF Charities Deposit Fund

Yield at the quarter end	0.5882% (0.5898% A.Y.)*	<ul style="list-style-type: none"> Yields moved in a narrow range for most of the period but dipped towards the end as expectations of a future cut in rates increased.
Average yield over the quarter	0.5974% (0.5991% A.Y.)*	<ul style="list-style-type: none"> Income payments will reflect those available from top-quality borrowers. The Fund is rated AAmmf by Fitch Ratings. AAmmf is the highest fund rating available.

* A.Y. = Annualised Yield, which illustrates what the annual yield would be if the monthly income distributions were compounded over the year.

Fund Performance

The COIF Charity Funds over the quarter (net)



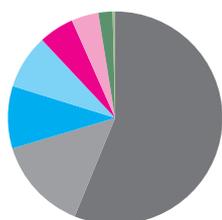
Source: CCLA Performance is shown after management fees and other expenses. Past performance is not a guide to future performance and future returns are not guaranteed.

Fund Report

COIF Charities Investment Fund

- The global economy expanded over the period, but at a moderating pace. Consumer activity continued at a robust level, supported by low rates of unemployment and wage growth which was positive in real terms. Manufacturing, however, weakened reduced by concerns over economic prospects and, in particular, the threat to activity from the trade dispute between China and the US. Inflation remained modest and below target in a number of countries and this, together with the reduced growth rate, supported the decision by a number of central banks to adopt easier monetary policies and particularly lower interest rates. Investment markets reacted positively to these developments. Bonds were the strongest of the asset classes, boosted by the shift to lower interest rates and hopes that reinstated quantitative easing programmes would result in increased demand for fixed income assets. Equities rose too, the global index giving a return to a UK based investor of 3.46%, the UK market one of 1.27%. In the property sector, weak pricing for retail assets kept capital values edging lower, total returns stayed positive due to the contribution from income.
- On a gross basis, the Fund returned 2.81% during the quarter compared to a return on the comparator of 3.13%. Over the past 12 months the respective returns are 10.68% and 6.76%. Over the quarter, both stock selection and asset allocation had an impact on returns. In the stock portfolio some financial and consumer stocks performed well, but the increased support for lower rated 'value' stocks was unhelpful. At the asset level, the portfolio had a low exposure to a fixed income sector which performed strongly.

*Asset Allocation



Overseas Equities	56.16%
UK Equities	14.20%
Infrastructure & Operating Assets	9.47%
Cash and Near Cash	8.25%
Property	5.31%
Contractual & Other Income	4.10%
Private Equity & Other	2.13%
Fixed Interest	0.38%

Overseas Equities

Overseas Equities	%
North America	35.80
Developed Europe	13.39
Asia Pacific ex Japan	4.66
Japan	1.97
Other Americas	0.34
Total	56.16

The annual management fee is 0.60% and is deducted from capital. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed. *Asset allocation as at end of period

Discrete year total return performance (gross) %

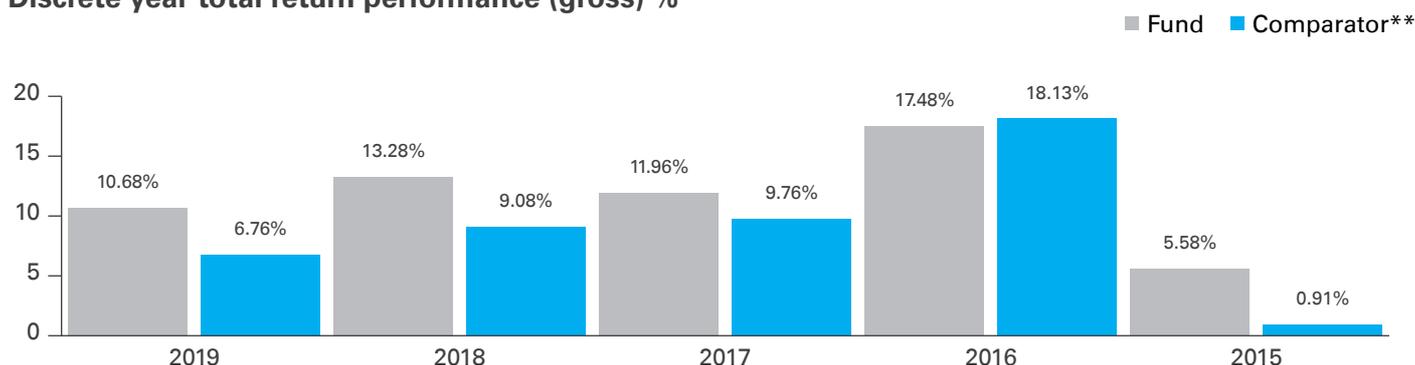
12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Investment Fund	10.68	13.28	11.96	17.48	5.58
Comparator**	6.76	9.08	9.76	18.13	0.91

Annualised total return performance (gross) %

Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Investment Fund	10.68	11.97	11.73
Comparator**	6.76	8.52	8.79

**Comparator - composite: from 01.01.18 MSCI UK IMI 30%, MSCI World ex UK 45%, MSCI UK Monthly Property 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.17 MSCI UK IMI 45%, MSCI Europe Ex UK 10%, MSCI North America 10%, MSCI Pacific 10%, IPD UK Monthly Property 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.15 MSCI UK All Cap 45%, MSCI Europe Ex UK (50% Hedged) 10%, MSCI North America (50% Hedged) 10%, MSCI Pacific (50% Hedged) 10%, IPD UK Monthly Property 5%, BarCap Gilt 15% & 7 Day LIBID 5% ** (Property returns are estimated for the last month)

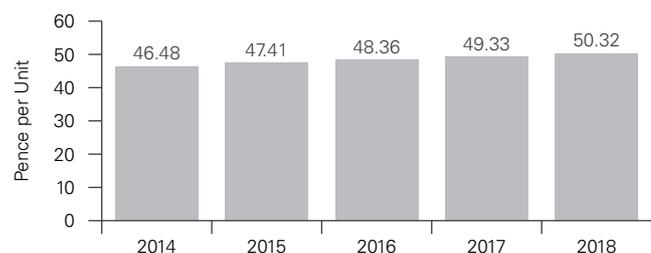
Discrete year total return performance (gross) %



Most overweight companies relative to equity indices as at 30 September 2019

Heineken NV	1.99%	Agilent Technologies	1.49%
Roche Holding	1.76%	AIA Group	1.42%
Paypal	1.56%	Tencent Holdings	1.42%
Adobe	1.55%	Fidelity Nat Info	1.39%
Visa	1.50%	Stryker	1.39%

Past distributions



The annual management fee is 0.60% and is deducted from capital. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed.

COIF Charities Ethical Investment Fund

- The global economy expanded over the period, but at a moderating pace. Consumer activity continued at a robust level, supported by low rates of unemployment and wage growth which was positive in real terms. Manufacturing, however, weakened reduced by concerns over economic prospects and, in particular, the threat to activity from the trade dispute between China and the US. Inflation remained modest and below target in a number of countries and this, together with the reduced growth rate, supported the decision by a number of central banks to adopt easier monetary policies and particularly lower interest rates. Investment markets reacted positively to these developments. Bonds were the strongest of the asset classes, boosted by the shift to lower interest rates and hopes that reinstated quantitative easing programmes would result in increased demand for fixed income assets. Equities rose too, the global index giving a return to a UK based investor of 3.46%, the UK market one of 1.27%. In the property sector, weak pricing for retail assets kept capital values edging lower, total returns stayed positive due to the contribution from income.
- On a gross basis, the Fund returned 2.97% during the quarter compared to a return on the comparator of 3.13%. Over the past 12 months the respective returns are 10.58% and 6.76%. Over the quarter, both stock selection and asset allocation had an impact on returns. In the stock portfolio some financial and consumer stocks performed well, but the increased support for lower rated 'value' stocks was unhelpful. At the asset level, the portfolio had a low exposure to a fixed income sector which performed strongly.

*Asset Allocation



Overseas Equities	%
North America	36.44
Developed Europe	10.74
Asia Pacific ex Japan	5.20
Japan	2.01
Total	54.39

Discrete year total return performance (gross) %

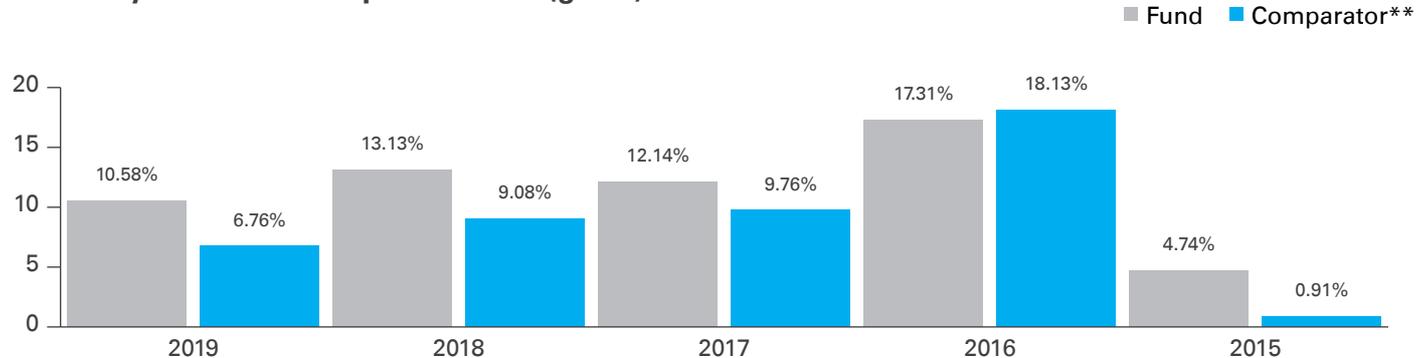
12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Ethical Investment Fund	10.58	13.13	12.14	17.31	4.74
Comparator**	6.76	9.08	9.76	18.13	0.91

Annualised total return performance (gross) %

Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Ethical Investment Fund	10.58	11.95	11.50
Comparator**	6.76	8.52	8.79

**Comparator - composite: from 01.01.18 MSCI UK IMI 30%, MSCI World ex UK 45%, MSCI UK Monthly Property 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.17 MSCI UK IMI 45%, MSCI Europe Ex UK 10%, MSCI North America 10%, MSCI Pacific 10%, IPD UK Monthly Property 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.15 MSCI UK All Cap 45%, MSCI Europe Ex UK (50% Hedged) 10%, MSCI North America (50% Hedged) 10%, MSCI Pacific (50% Hedged) 10%, IPD UK Monthly Property 5%, BarCap Gilt 15% & 7 Day LIBID 5% ** (Property returns are estimated for the last month)

Discrete year total return performance (gross) %

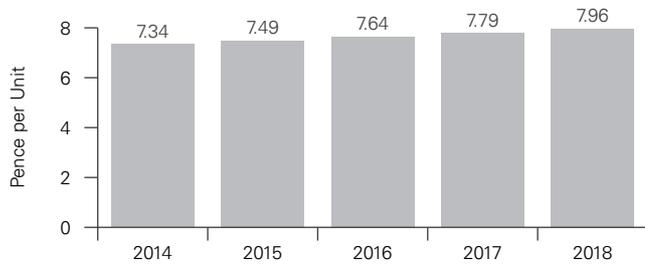


The annual management fee is 0.60% and is deducted from capital. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed. *Asset allocation as at end of period

Most overweight companies relative to equity indices as at 30 September 2019

Unilever	2.49%	Tencent Holdings	1.55%
Stryker	1.84%	Agilent Technologies	1.55%
Roche Holding	1.83%	Sonic Healthcare	1.55%
PepsiCo	1.71%	AIA Group	1.53%
Danaher	1.56%	Verizon Communications	1.52%

Past distributions

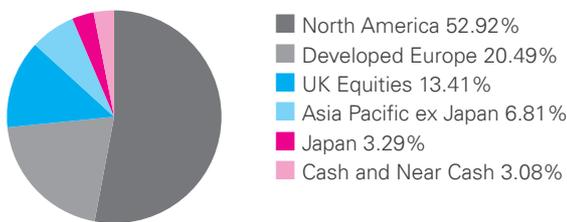


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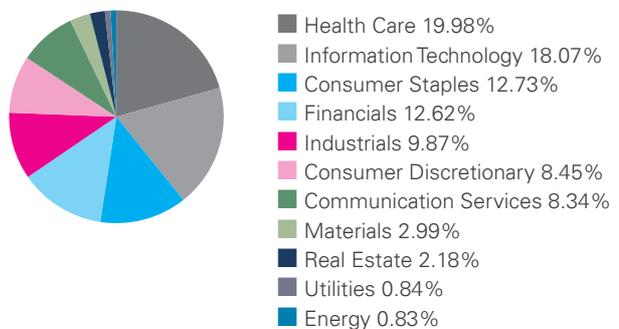
COIF Charities Global Equity Income Fund

- The global economy grew over the quarter, but at a moderate pace. Consumer activity remained buoyant, supported by high levels of employment and wages which, in a modest inflation environment, rose in real terms. Manufacturing, however, disappointed, held back by general concerns over economic prospects and the uncertainties created by the trade dispute between China and the US. On a geographical basis, growth slowed in most areas, but Europe was particularly disadvantaged due to the high dependence on both manufacturing and exports. An important development in the period was the move to support growth by reducing interest rates, led by the US and Europe, but with a number of other central banks following a similar approach. International equity prices reacted positively to the move to easier monetary conditions and most of the major markets gave positive returns. Japan was the best performer, giving a total return to a UK based investor of 6.60%. The US returned 4.93%, Europe 1.55% and the UK 1.27%. Asian indices proved to be the exception to the overall positive trend with a negative return of -0.75%.
- On a gross basis, the Fund returned 3.32% during the quarter compared to a return on the comparator of 3.83%. Over the past 12 months the respective returns are 14.38% and 7.76%. The main cause of the relative underperformance over the quarter was stock selection and, in particular, the effects of a rally in some of the lower rated 'value' sectors in which the portfolio has relatively low weightings.

*Asset Allocation



*Sector Allocation



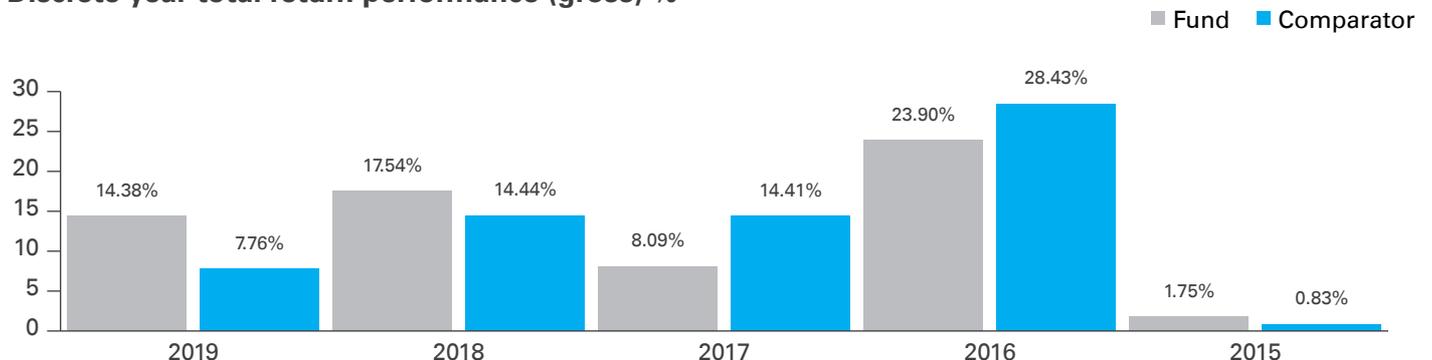
Discrete year total return performance (gross) %

12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Global Equity Income Fund	14.38	17.54	8.09	23.90	1.75
Comparator	7.76	14.44	14.41	28.43	0.83

Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Global Equity Income Fund	14.38	13.27	12.87
Comparator	7.76	12.16	12.81

Comparator – from 01.01.16 MSCI £ World. To 31.12.15 MSCI World 50% Currency Hedged

Discrete year total return performance (gross) %

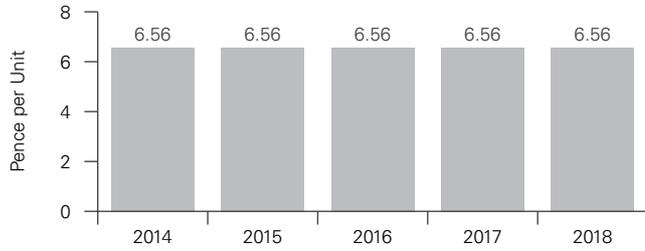


The annual management fee is 0.75% and is deducted from capital. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed. *Asset and Sector allocation as at end of period.

Most overweight companies relative to equity indices as at 30 September 2019

Unilever	2.30%	Adobe	1.70%
Heineken NV	1.95%	Agilent Technologies	1.68%
RELX	1.91%	London Stock Exchange	1.67%
Tencent Holdings	1.81%	Nasdaq	1.60%
Danaher	1.80%	Activision Blizzard	1.55%

Past distributions

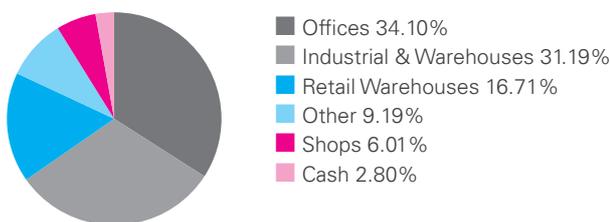


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COIF Charities Property Fund

- Commercial property values fell over the period, continuing the decline which began in the final months of 2018. The prime cause of the decline was continued weakness in the retail sectors where values have come under persistent pressure due to excess supply, poor trading and a long-term change in shopping patterns, with a growing share for internet-based suppliers. There was better news elsewhere in the sector, in offices and particularly industrial assets which, by the end of the quarter, had risen for 36 months in succession, but these improvements were not enough to fully offset weakness elsewhere. Transaction volumes remained at low levels and the reduced flow of market data increased the subjectivity of sector valuations, a development which increased volatility at the single asset pricing level.
- On a net basis, the Fund returned 0.37% during the quarter compared to a return on the benchmark of 0.67%. Over the past 12 months the respective returns are 4.19% and 3.01%. Underlying performance was in line with the market, near term returns have been impacted by acquisition costs after a busy quarter of fund activity.

*Gross asset allocation



Property portfolio details

Top 5 properties: 27.7% of portfolio
 Top 5 tenants: 18.6% of rental income
 Weighted unexpired lease: 6.4yrs
 Void rate including developments in progress
 8.8% (excl. 7.3%)
 The Fund has credit facilities which, at quarter end, were not utilised.

Discrete year total return performance (net) %

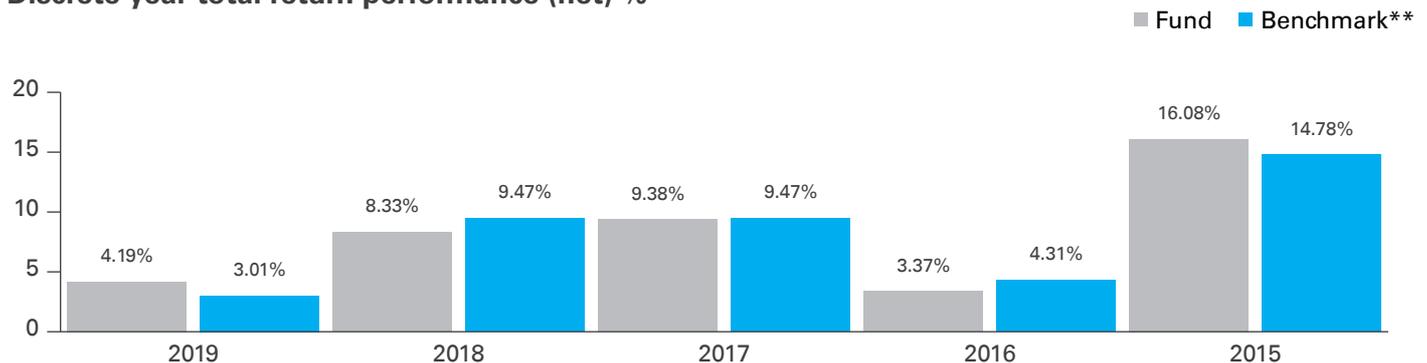
12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Property Fund	4.19	8.33	9.38	3.37	16.08
Benchmark**	3.01	9.47	9.47	4.31	14.78

Annualised total return performance (net) %

Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Property Fund	4.19	7.28	8.18
Benchmark**	3.01	7.27	8.13

**Benchmark – MSCI/AREF UK Other Balanced Quarterly Property Fund Index ** (estimated for the last quarter). Property performance is shown after management fees and other expenses (net)

Discrete year total return performance (net) %

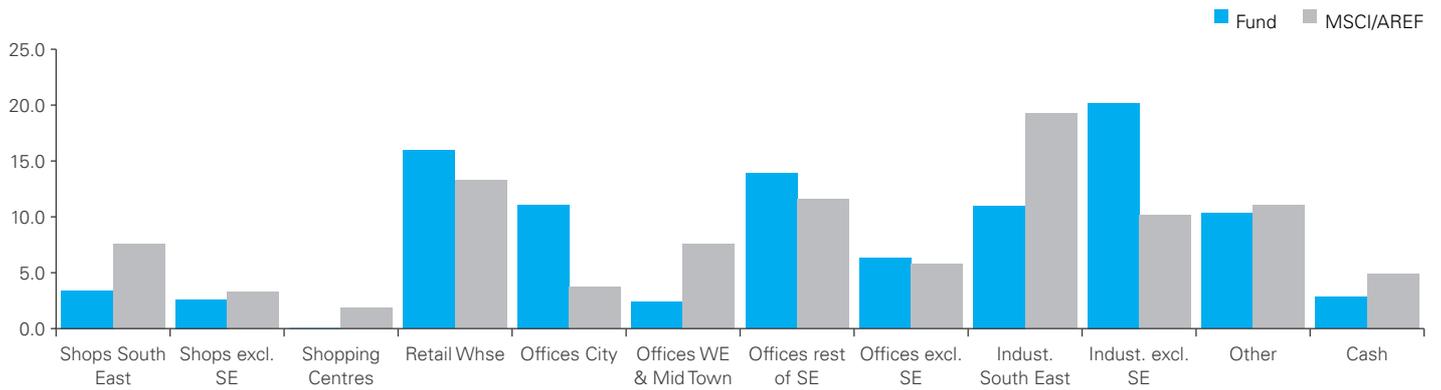


Top ten property holdings – total 42.52% as at 30 September 2019

London, Cannon Street	Bath, Westside Hotel
Brighton Pavilion Centre	London, College Hill
Bracknell, Arlington Sq.	Magna Park Lutterworth
Mendlesham, Ind. Est.	Solihull, Gate Retail Park
London, Fetter Lane	Bristol, Aztec West

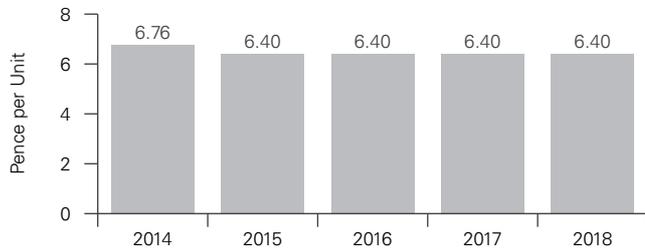
The annual management fee is 0.65% and is deducted from capital. Performance is shown after management fees and other expenses. Past performance is not a guide to future performance and future returns are not guaranteed. *Gross asset allocation as at end of period.

Asset allocation by region and category



Fund Data as at end September 2019 and MSCI/AREF UK Other Balanced Quarterly Property Fund Index as at end June 2019.

Past distributions

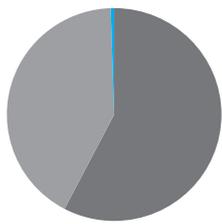


The annual management fee is 0.65% and is deducted from capital. Performance is shown after management fees and other expenses. Past performance is not a guide to future performance and future returns are not guaranteed.

COIF Charities Fixed Interest Fund

- The UK economy produced a mixed performance over the quarter. Consumer activity remained resilient, supported by low unemployment and rising real wages. In contrast, manufacturing output disappointed and investment remained weak, held back by Brexit uncertainties.
- The domestic fixed interest sector initially traded in a narrow band and then moved higher as the quarter progressed. Values improved initially as buyers locked-in modest returns, later support came as investors took the view that UK interest rates were likely to be cut should economic activity falter.
- On a gross basis, the Fund returned 3.79% during the quarter compared to a return on the benchmark of 5.09%. Over the past 12 months the respective returns are 9.27% and 12.16%. The prime influence on relative returns was the bias of the portfolio to shorter dated securities, in place to protect investors from any upward shift in yields.

*Asset Allocation



■ Non Gov't Bonds 57.66%
 ■ Gov't Bonds 41.83%
 ■ Cash and Near Cash 0.51%

By term to maturity	% Fund
Period	
0 - 5 years	32.6
5 - 10 years	32.7
10 - 15 years	10.2
Over 15 years	24.6
Duration (modified)	8.1 yrs
Ave term to maturity	10.2 yrs

Discrete year total return performance (gross) %

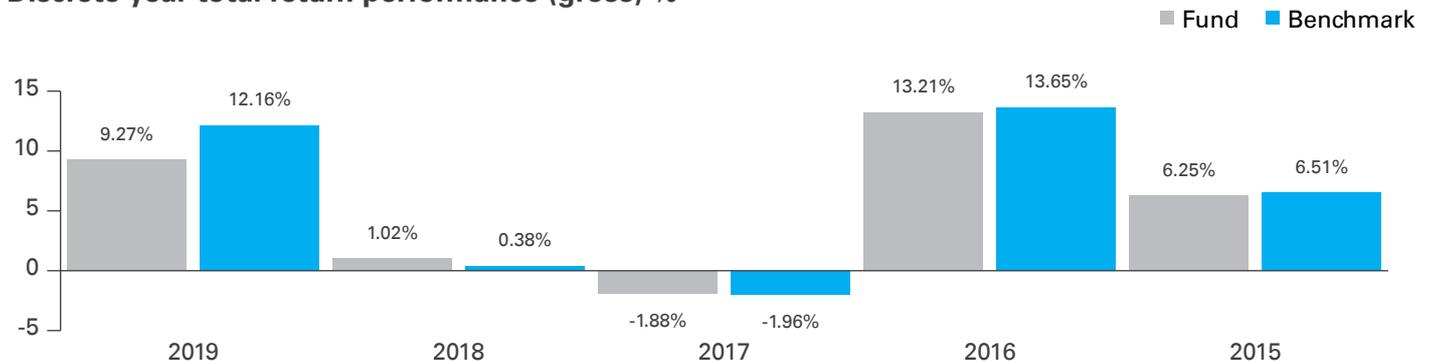
12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Fixed Interest Fund	9.27	1.02	-1.88	13.21	6.25
Benchmark	12.16	0.38	-1.96	13.65	6.51

Annualised total return performance (gross) %

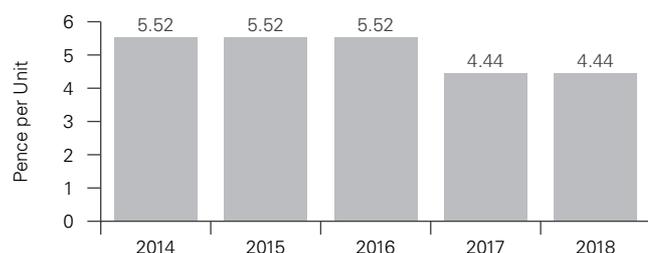
Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Fixed Interest Fund	9.27	2.70	5.43
Benchmark	12.16	3.34	5.97

Benchmark – composite: from 01.01.16 iBoxx £ Gilt 50% and iBoxx £ Non Gilt 50%. To 31.12.15 Barcap £ Gilt 50% and £ Agg 100mm Non Gilt 50%.

Discrete year total return performance (gross) %



Past distributions



The annual management fee of the Fixed Interest Funds is 0.22% and is deducted from income. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed. *Asset allocation as at end of period.

COIF Charities Deposit Fund

- The UK economy remained lacklustre over the quarter. Inflation fluctuated at rates close to the Bank of England's target level.
- Official interest rates were unchanged, but there was a gradual shift of investor expectations for the future. Against a backdrop of falling international rates and with the Brexit outcome far from certain, money markets reflected an expectation that UK rates would move lower in the months ahead.

Discrete year total return performance (gross) %

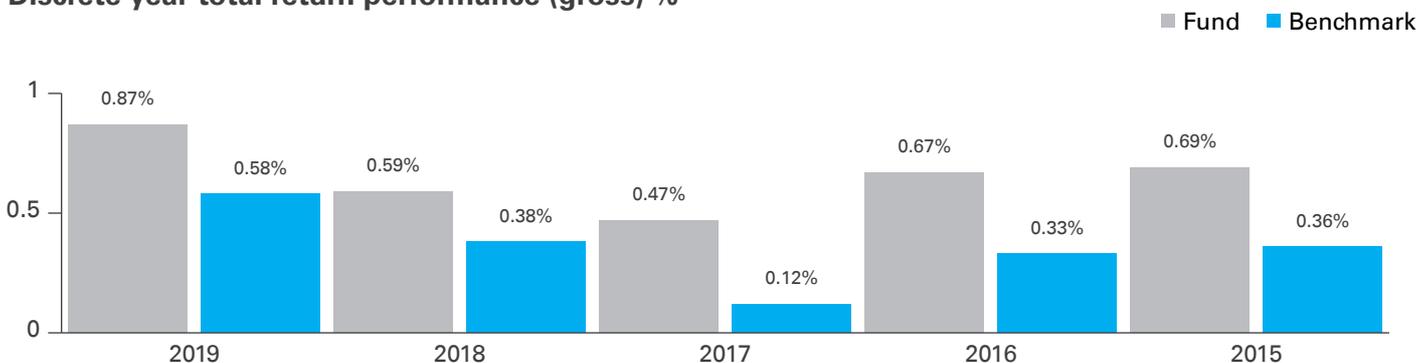
12 months to 30 September	2019	2018	2017	2016	2015
COIF Charities Deposit Fund	0.87	0.59	0.47	0.67	0.69
Benchmark	0.58	0.38	0.12	0.33	0.36

Annualised total return performance (gross) %

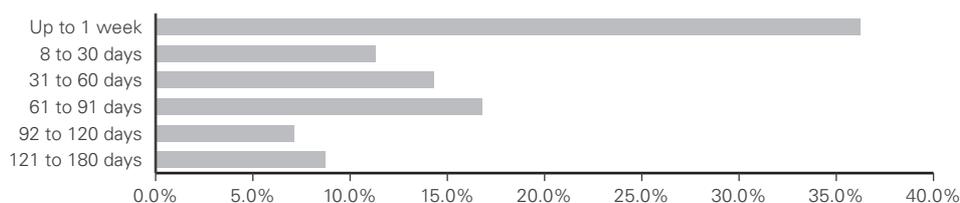
Performance to 30 September 2019	1 year	3 years	5 years
COIF Charities Deposit Fund	0.87	0.64	0.66
Benchmark	0.58	0.36	0.35

Benchmark – London Interbank Sterling 7 Day Bid Rate

Discrete year total return performance (gross) %



The Fund's maturity profile



The annual management fee of the Deposit Fund is 0.20% and is deducted from income. Performance is shown before management fees and other expenses: net returns will differ. Past performance is not a guide to future performance and future returns are not guaranteed.

Ethical and Responsible Investment Report

Our work has five strands:

- 1 Engagement focused on social and environmental issues that are a priority for our clients.
- 2 Voting and engagement on governance issues to protect shareholder value and address excessive remuneration.
- 3 Setting constraints on investments and exposure to activities considered unacceptable by our clients.
- 4 Selecting investments that deliver social or environmental benefits plus market-level risk-adjusted returns.
- 5 Responsibilities under the UK Stewardship Code and the UN Principles for Responsible Investment.

Quarterly highlights

- We promoted the Powering Past Coal Alliance at New York Climate Week. This is the UK and Canadian Government's flagship programme to accelerate the removal of coal, the most carbon-intensive fossil fuel, from the world's energy mix.
- On behalf of investors with over £2.4trillion of assets, we asked the UK government to toughen up the Transparency in the Supply Chain provision in the Modern Slavery Act. This would incentivise more effective corporate action on Modern Day Slavery.
- We announced that, from the 1st December, the COIF Charities Ethical Investment Fund will not invest in companies that generate more than 10% of their revenue from the extraction and/or refining of fossil fuels.

Voting in more detail:

- CCLA aims to vote at all UK and overseas company meetings where we have portfolio holdings. The third quarter of the year is a quiet period for our voting activity. Only 14 companies held by the COIF Funds held shareholder meetings during the period.
- The COIF Charities Investment Fund did not support 8.7% of the resolutions proposed by management at our investee companies this quarter (6.3% for the Ethical Fund, 11.8% for the Global Equity Income Fund).
- We did not approve a report into related party transactions at Remy Cointreau. As the company has a majority owner, we pay extra attention to related party transactions. Transactions with entities associated with the majority shareholder can be a clue as to whether the company is being managed in the interests of all shareholders. We will continue to monitor the approach at the company and escalate our concerns if needed.
- We voted against the Remuneration Report proposed by Experian PLC. We were concerned that it did not properly reflect the importance of environmental, social or governance issues.

Ethical investment:

- We confirm that the COIF Funds have been managed in accordance with their ethical investment policies during the quarter.

Investing in mental health

In Summary:

- Poor mental health in the workplace costs UK companies between £33bn and £42bn per year*. Despite the cost, and the impact on the lives of their staff, very few companies have developed formal processes to address this issue.
- For this reason, we have worked with an expert advisory group to develop an engagement programme that encourages action to improve employee wellbeing.

Why act on mental health

- One in four people in the UK suffer from a diagnosed mental health condition**. This means that, whether we know it or not, everyone will know someone whose life has been impacted.
- However, despite 300,000 people per year in the UK leaving their jobs due to mental health problems^ and an estimated annual cost to businesses that is the equivalent of over 2% of the UK's GDP*, businesses have been slow to act.

Source: *Deloitte **Mind ^Thriving at Work Report

Our engagement framework

- We have worked with an expert advisory committee, featuring representatives from MIND and Public Health England (amongst others) to develop a set of expectations for companies on mental health.
- Based on, the UK government funded, 'Thriving at Work Report' these ask companies to: establish a mental health at work plan, promote mental health awareness amongst staff, integrate wellbeing concerns into job design, train line managers about mental health and report back on the efficacy of their actions.
- To date, we have met with eight pharmaceutical and financial services businesses, with large UK work forces, to benchmark them against these indicators.
- From these meetings it is clear that, whilst some have adopted best-practice, the majority of businesses are at the beginning of their journey to create more supportive and healthy workforces.

Next steps

- Once we have met with each of the 11 target businesses, we will begin detailed engagement with the lowest ranked companies.

Risk Warning

Performance is shown before management fees and other expenses: net returns will differ, except the Property Fund which is shown net and the graph on the Fund Performance page. Exchange rate changes may have an adverse effect on the value, price or income of investments. Nothing in this document should be deemed to constitute the provision of financial, investment or other professional advice. All sources are CCLA, unless otherwise indicated.

Disclosures

Investment in the COIF Charity Funds is only available to charities within the meaning of section 1(1) of the Charities Act 2011. Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money. Any forward-looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated. The properties within the COIF Charities Property Fund are valued by an external property valuer; any such valuations are a matter of opinion rather than fact. The performance of the Fund may be adversely affected by a downturn in the property market which could impact on the value of the Fund. The COIF Charity Funds are approved by the Charity Commission as Common Investment Funds under section 24 of the Charities Act 1993 (as has been replaced by the Charities Act 2011) and are Unregulated Collective Investment Schemes and unauthorised Alternative Investment Funds. The COIF Charities Deposit Fund was approved by the Charity Commission as a Common Deposit Fund under section 25 of the Charities Act 1993 (as has been replaced by the Charities Act 2011) and is categorised as a short-term LVNAV Money Market Fund under the EU Money Market Fund Regulation 2017/1131. Investments in the COIF Charity Funds and the Funds, and Investments and Deposits in the COIF Charities Deposit Fund and COIF Charities Property Fund are not covered by the Financial Services Compensation Scheme (FSCS).

GDPR

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