

4 March 2022

This letter is for your information and there is no need to take any action as a result.

The CBF Church of England Global Equity Income Fund: change to investment objective and policy.

Following a review of the fund by the CBF Trustees and the Manager (CCLA Investment Management Limited), the CBF Trustees have approved a change to the investment objective and policy of the CBF Church of England Global Equity Income Fund (“CBF GEIF”). This change does not require approval from the Financial Conduct Authority (“the FCA”) or the Charity Commission.

Please read this letter carefully, and if you would like to know more, please contact us using the details provided at the bottom of the letter.

What are the changes to the investment objective and policy?

On 8 April 2022, the CBF GEIF will no longer invest directly in individual securities. Instead, the CBF GEIF will, from this date, invest directly in the CCLA Better World Global Equity Fund. This change is reflected in the updated investment policy attached to this letter.

The CCLA Better World Global Equity Fund is a new fund managed by CCLA and is regulated as a UK UCITS fund by the FCA. A UK UCITS (Undertakings for the Collective Investment in Transferable Securities) fund must comply with rules that are set by the FCA and is made available to all types of investors.

The investment objective wording of the CBF GEIF has been updated to match the investment objective of the CCLA Better World Global Equity Fund and remains focussed on capital growth and income. The CBF GEIF’s asset exposure will not change substantially, as the CCLA Better World Global Equity Fund is also a global equity fund. The new investment objective and policy can be found attached to this letter and a new, draft Key Information Document (“KID”) is enclosed.

Importantly, the ethical exclusions and policies of the CCLA Better World Global Equity Fund are consistent with the Church of England’s Ethical Investment Advisory Group exclusions.

www.ccla.co.uk

CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Client Service Freephone: 0800 022 3505

What will this mean to you?

In the future, the CCLA Better World Global Equity Fund will be responsible for investing directly in individual securities rather than the CBF GEIF.

The CBF GEIF will continue to make use of the ability to distribute dividends out of capital as well as income and will retain the ability to accumulate an income reserve.

To offset any fund-level cost and tax changes incurred by investment in the CCLA Better World Global Equity Fund, the CBF GEIF will have its Annual Management Charge (AMC) reduced from 0.75% to 0.60% and VAT will no longer be charged on the AMC, which means that under the current VAT regime, you will pay less to invest in the CBF GEIF. To avoid any double charging of AMC, the CBF GEIF will invest in the 0% AMC share class of the CCLA Better World Global Equity Fund.

The estimated Ongoing Charges Figure (OCF) of the CBF GEIF will be approximately 0.67% excluding transaction costs. For ease of reference, the OCF of the CBF GEIF is currently approximately 0.83%. Any implementation costs incurred by effecting this change will be covered by CCLA.

Will there be any other changes to your investment?

The risk level of your investment will remain the same. Although there is no substantial change to the investment strategy, there will be an update to the investment policy of the fund to reflect the fact that the CBF GEIF will now gain its market exposure by investing in the CCLA Better World Global Equity Fund. On 8 April, all updated literature relating to the CBF GEIF, including a finalised KID, can be found here: www.ccla.co.uk/investment-solutions/fund/the-cbf-church-of-england-global-equity-income-fund.

Will there be a change to the way I invest?

There will be no change to the way you invest in the CBF GEIF. If you would like to invest more, you can continue to invest via your current share class. If you are unhappy with these changes, then you may redeem your holdings in accordance with the terms of the CBF GEIF Scheme Information.

Do I need to take any action?

No. You do not need to do anything in connection with these changes. On 8 April 2022, the CBF GEIF will start to invest in the CCLA Better World Global Equity Fund.

Should you have any queries or require further information concerning this process, please contact our Client Services team at clientservices@ccla.co.uk or by calling 0800 022 3505 between the hours of 8:30am-5:30pm Monday to Friday.

Changes to CBF GEIF Scheme Information Investment Objective and Policy:

Investment Objective:	
Current:	New:
<p>The Fund aims to provide a high level of income with long-term capital growth.</p>	<p>The Fund aims to provide income with long-term capital growth (defined as any rolling period of 5 years).</p> <p>There is no guarantee that the objective of the Fund will be achieved over any time period. Capital is at risk.</p>
Investment Policy:	
Current:	New:
<p>The Fund is an actively managed, diversified portfolio of global equities. It will principally invest in UK and overseas equities but may also invest in other assets.</p> <p>The Fund is managed in accordance with the policies of the Church of England’s Ethical Investment Advisory Group (EIAG).</p>	<p>The Fund will invest at least 90% of its assets by value in units of the CCLA Better World Global Equity Fund.</p> <p>While it is envisaged that the Fund will normally be fully invested in the CCLA Better World Global Equity Fund, the Fund may also hold up to 10% of its assets by value in cash.</p> <p>The CCLA Better World Fund is an actively managed, diversified portfolio of global equities managed by CCLA Investment Management. The CCLA Better World Global Equity Fund principally invests in the UK and overseas equities but may also invest in other assets. More information on the CCLA Better World Global Equity Fund can be found in Appendix 4.*</p>
Ethical and Responsible Investment:	
Current:	New:
<p>The Fund has regard to ethical investment considerations, both positive and negative, in selecting and retaining investments and is represented on the Church of England’s EIAG. EIAG policies are available at www.churchofengland.org.</p> <p>The Fund will take a proactive approach to proxy voting and will vote routinely on all holdings within the Fund as required.</p> <p>The Manager will make reasonable endeavours to ensure that decisions in respect of corporate actions are taken in the best interests of the Fund. Investments that do not qualify as permitted investments may be offered as a result of corporate actions. The Manager is authorised to accept such investments and will dispose of them expeditiously, taking into account the best interests of the Fund.</p> <p>Further information on the ethical investment policy and the corporate governance policy are available from the Manager.</p>	<p>The Fund has regard to ethical investment considerations, both positive and negative, in selecting and retaining investments and is represented on the Church of England’s EIAG. EIAG policies are available at www.churchofengland.org.</p> <p>The Fund meets its requirement to comply with the EIAG policies mentioned above through investment in the CCLA Better World Global Equity Fund, which adheres to the CCLA Better World Policy. The EIAG policies are incorporated into the CCLA Better World Policy, which can be found in Appendix 5.*</p>

*On April 8, 2022, Appendices 4 and 5 can be found in the updated Scheme Information which will be available on CBF GEIF Fund page of the website: www.ccla.co.uk/investment-solutions/fund/the-cbf-church-of-england-global-equity-income-fund